

Barcelona wins 'gold' in contest for Olympic Games

BARCELONA, THE hot favourite, yesterday won the contest to host the 1992 Summer Olympic Games...

Birmingham, which spent \$2.3m mounting its bid to host the games, reacted with disappointment last night...

The city was pressing ahead with its \$120m plans to build a convention centre to compete for growing international business...

Markets disappointed by Lawson speech

STERLING had another rough ride yesterday as investors made clear their disappointment with the Chancellor's speech at the Mansion House...

of Mr Karl Otto Poehl, the Bundesbank president, to London next Monday could pressure a move into the EMS...

NEC to produce chips in Scotland

NEC, the leading Japanese electronics group, is to launch the first full production line for semiconductors by any Japanese company in Europe at its plant in Livingston, Scotland...

Higher petrol and clothing prices cause jump in inflation rate

BRITAIN'S retail inflation rate jumped to an annual 8 per cent last month from 2.4 per cent in August, the largest increase since March 1985...

adding to cost pressures in the economy. In his speech at Mansion House in the City on Thursday...

Hillsdown in £154m private placing

ATTEMPTS by the Bank of England to smooth the path for the \$8m sale of British Gas shares next month yesterday allowed Hillsdown Holdings...

Garrington dismisses Nato protest

Nato's Secretary General, Lord Carrington, yesterday dismissed complaints by the organisation's military commanders that the US had failed to consult them properly on arms control before or after the Reykjavik summit...

Barry defends accord

Irish Foreign Minister Peter Barry defended the Anglo-Irish Agreement and said opposition leader Charles Haughey, who had attacked the accord, was afraid of the IRA...

Missing airman demand

Israel demanded the return of an airman shot down in Lebanon on Thursday. He is believed to be in the hands of the Shia Amal militia...

Soviet airliner deaths

A Soviet newspaper said two crewmen and several of the 76 passengers were killed when a Tupolev airliner crashed-landed north-east of Moscow...

Compensation deal

Stanley Adams, who disclosed illegal price-fixing by Swiss drug company Hoffmann-La Roche, said he had reluctantly accepted an increased offer of £200,000 compensation from the EEC for breach of confidence...

Supergass 15 freed

Eight women and seven men, held on charges ranging from conspiracy to murder to IRA membership on the word of London's supergrass Angela Whoriskey, were freed when charges were withdrawn...

Jail hostage rescued

A prisoner held hostage by another inmate at Greenham psychiatric hospital, was freed by police who burst the cell with CS gas and found him hanging by his feet from a light fitting...

Stalker costs plea fails

Manchester police authority refused deputy chief constable John Stalker's request for it to pay the £21,000 legal costs of his fight against misconduct allegations...

Powell speech stopped

Enoch Powell MP was forced to abandon a speech to Bristol University's Conservative Association when protesters stormed the stage...

Kinnock shuns TV

Labour leader Neil Kinnock withdrew from LWT's Weekend World television programme planned for Sunday, because he did not want the whole interview devoted to defence...

Polis seek refuge

Ten Polish tourists, aged between 18 and 23, visiting Venice, asked for political asylum...

Township fight pledged

South African civil rights leaders are to fight a government decision to relocate the 10,000 inhabitants of Oukasic township near Pretoria...

Typhoon 'weakening'

Weather forecasters said typhoon Ellen was likely to blow itself out before reaching Canton, where royal yacht Britannia is due to meet the Queen today after her China tour...

Alias Smith...or others

Middlesex businessman Sydney Pherowsky, appearing in London Bankruptcy Court, said he had 17 or 18 children. He had 3,000 aliases, including John Smith...

Saudis and Kuwait block Opec deal

SAUDI ARABIA and Kuwait yesterday blocked an agreement sought by most Opec members to extend a production sharing pact until the end of the year...

TURNER & Newall and AE suspended their shares

TURNER & Newall and AE suspended their shares pending publication of a statement by the Takeover Panel...

STOCK Exchange chairman Sir Nicholas Goodison warned that UK capital markets would suffer if the proposed merger of the Exchange with Iro was not approved

STOCK Exchange chairman Sir Nicholas Goodison warned that UK capital markets would suffer if the proposed merger of the Exchange with Iro was not approved...

EQUITIES suffered under the shadow of gilt which fell in response to the Chancellor's Mansion House speech

EQUITIES suffered under the shadow of gilt which fell in response to the Chancellor's Mansion House speech...

STOCK EXCHANGE has postponed next year the introduction of 500 "small cap" shares

STOCK EXCHANGE has postponed next year the introduction of 500 "small cap" shares...

LARGEST ONSHORE oil field in western Europe, at Wytch Farm, Dorset, received the go-ahead for development from Dorset County Council

LARGEST ONSHORE oil field in western Europe, at Wytch Farm, Dorset, received the go-ahead for development from Dorset County Council...

SOLICITORS are split over how they should react to what one of their leaders called the legal profession's Big Bang

SOLICITORS are split over how they should react to what one of their leaders called the legal profession's Big Bang...

BRITAIN will urge Japan to liberalise its short-term money markets when the two sides meet in Tokyo on October 27

BRITAIN will urge Japan to liberalise its short-term money markets when the two sides meet in Tokyo on October 27...

BRASIL'S trade surplus has fallen sharply as food shortages and corporate demand have led to increased imports

BRASIL'S trade surplus has fallen sharply as food shortages and corporate demand have led to increased imports...

FORD MOTOR Company president Donald Petersen returned to Detroit hoping he had "soiled" the Italian Government's company proposals for talking over Alfa Romeo

FORD MOTOR Company president Donald Petersen returned to Detroit hoping he had "soiled" the Italian Government's company proposals for talking over Alfa Romeo...

CATERPILLAR, of the US, the world's largest maker of earthmoving equipment, suffered a third quarter loss of \$28m (£18.18m) compared with a \$131m profit

CATERPILLAR, of the US, the world's largest maker of earthmoving equipment, suffered a third quarter loss of \$28m (£18.18m) compared with a \$131m profit...

J. BIBBY & SONS, industrial and agricultural group, sold its 85 per cent share in Fumanting International, service and maintenance company, to a management buyout team for £12.2m

J. BIBBY & SONS, industrial and agricultural group, sold its 85 per cent share in Fumanting International, service and maintenance company, to a management buyout team for £12.2m...

DAVIES & NEWMAN cuts its first half loss from £8.58m to £3.48m

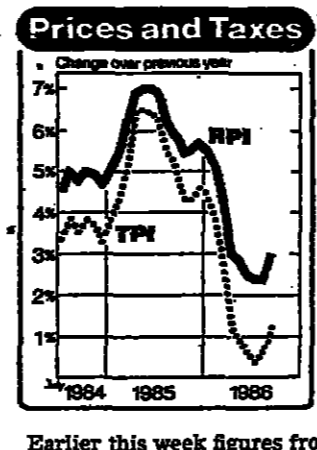
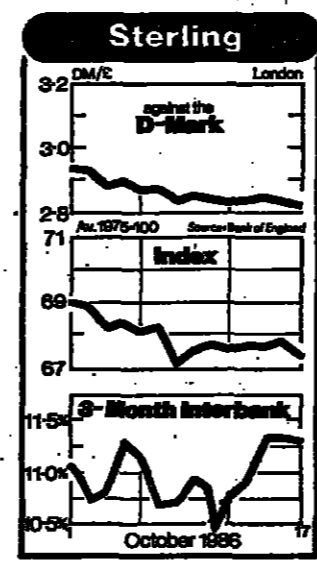
DAVIES & NEWMAN cuts its first half loss from £8.58m to £3.48m...

SOVIET UNION and China have signed a pact to start long-term co-operation in science and technology

SOVIET UNION and China have signed a pact to start long-term co-operation in science and technology...

MARKETS

Table with columns for DOLLAR, STERLING, LONDON MONEY, NORTH SEA OIL, STOCK INDICES, and GOLD. Includes exchange rates and market movements.



Continuation of Hillsdown article: "Hillsdown had, some weeks ago, been given a later date for its planned issue, but Bank officials are understood to have been worried by the number of issues accumulating around the British Gas flotation date."

Continuation of Hillsdown article: "However, the combined 'open offer' allows existing shareholders first refusal on these shares. They can acquire them on a two-for-seven basis although Hillsdown directors, who own 48 per cent of the equity, will not do so."

Advertisement for 'IT SEEMS THEY'RE TALKING OUR LANGUAGE.' featuring 'THE INVESTMENT HOUSE' and 'SAVE & PROSPER' with contact information.

WEEKEND FT



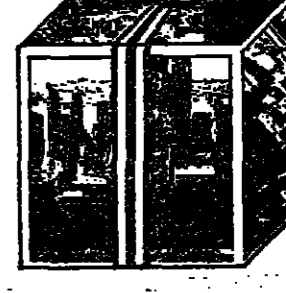
ARCTIC POLITICS

How Russians and Norwegians live uneasily together on deep-frozen Svalbard. Page 1



FINANCE

The commission charges small investors will have to pay after the Big Bang. Page 5



TRANSATLANTIC MAIL ORDER

Armed with a credit-card and telephone you can shop in Manhattan. Page XVII

COLD COMFORT

A pre-season look at ski resorts and equipment. Page XII

INDEPENDENT SCHOOLS

A special Saturday survey. Pages XIII and XIV

Table of Contents listing various articles and their page numbers: British orchestras: concerto for percussion and pulse strings (8), Editorial comment: too close a horizon (8), Shopping centres: sour taste at edge of the doughnut (9), Lombard: the too quiet Americans (9).

For London market and latest share index 01-246 8026; overseas markets 01-246 8086

Swedish public sector strike called off

BY KEVIN DONE AND SARA WEBB IN STOCKHOLM

SWEDEN'S two-and-a-half week long public sector strike, the third industrial conflict in the public sector in the last 18 months, was temporarily called off last night when the state and local authority employers agreed to enter direct negotiations with the trades unions.

Karpov denies Soviet split

BY PATRICK COCKBURN IN MOSCOW

MR VIKTOR KARPOV, the Soviet chief negotiator at disarmament at the Geneva talks with the US, denied yesterday that there was any disagreement between him and Mr Mikhail Gorbachev, the Soviet leader, on whether or not a ban on medium-range nuclear weapons in Europe could be agreed without the US abandoning Star Wars.

House passes budget bill

THE US House of Representatives yesterday gave final approval to a \$97.6bn (\$400bn) compromise budget bill for the fiscal year 1987 and sent it to President Reagan for his signature into law, Reuter reports from Washington.



Yenny now writes about her plans for the future, two years ago she didn't have one

Just over two years ago Yenny was living in one of the poorest areas of the world. She was severely undernourished and had never seen a school, let alone a book. Fortunately for Yenny, Mrs Deacon of Hull decided to do something about it, and through PLAN International she sponsored her.

Form with fields for Name, Address, and a donation box with checkboxes for 'I enclose my first month's £12. Please tell me about the Child I am sponsoring' and 'I am interested but would like you to send more details'.

W. Germany to join in Hermes design

By David Marsh in Bonn

WEST GERMANY is to spend DM 32m (£11.3m) on participating in the preparatory stages of the French-led Hermes aeroplane, a key part of Europe's overall space strategy for the next decade.

Neue Heimat chief gains time to pay debts

By Andrew Fisher in Frankfurt

MR HORST SCHLESSE, the Berlin banker who recently bought West Germany's debt-laden Neue Heimat housing scheme, has won a reprieve from the courts to pay his debts.

House passes budget bill

THE US House of Representatives yesterday gave final approval to a \$97.6bn (\$400bn) compromise budget bill for the fiscal year 1987 and sent it to President Reagan for his signature into law, Reuter reports from Washington.

Spain's great leap into the Olympic arena

BY DAVID WHITE IN BARCELONA

A SLEEPY gothic called Snowflake, lounging as usual around his den in Barcelona Zoo, may have wondered what all the fuss and fireworks were about yesterday when the city won its bid for the 1992 Olympic Games. But the betting is that the most fought-over games in history will choose him as mascot.

Hasenfus trial may be Nicaragua's first mistake

BY PETER FORD IN MANAGUA

NICARAGUA'S decision to try Mr Eugene Hasenfus, the US airman captured last month, before a controversial popular tribunal may mark its first false step in a successful campaign to milk maximum favourable publicity from the affair.

Steelmakers fight EEC plan

BY QUENTIN PEEL IN BRUSSELS

EUROPEAN steel manufacturers have launched a last-minute lobbying effort to slow the liberalisation of the industry, which has been proposed by the European Commission.

Spain's great leap into the Olympic arena

A great historic opportunity... a leap forward for Spain's projection in the world. In the past week, everything had been thrown into the promotional show in Lausanne, short of sending King Juan Carlos to clinch the nomination.

Logs of dead airman link him to US military bases

A US PILOT killed when his aircraft was shot down while resupplying Nicaragua Contra rebels had down missions in the past 16 months to US military bases, to Colombia and inside Angola, according to his log books, AP reports from Washington.

Brazil trade surplus suffers sharp fall

By Ivo Dawway in Brussels

BRAZIL HAS suffered a sharp fall in its trade surplus which is threatening to undermine the growth orientated economic policy of President Jose Sarney.

Argentina gains Falklands forum

By Jimmy Burns

ARGENTINA may have been provided with an added forum to press its claims to the Falkland Islands after its election this week to the 15-member United Nations Security Council, according to diplomatic sources in New York.

Belgian political crisis eases

BELGIUM'S four day old political crisis seemed to have eased yesterday after the main political leaders put forward a new compromise solution to the country's latest linguistic dispute, writes Tim Dickson in Brussels.

US import duty angers Canada

By Bernard Simon in Toronto

CANADA has responded angrily to a US Commerce Department decision to impose a 15 per cent countervailing duty on Canadian softwood lumber, but has ruled out retaliation for the time being.

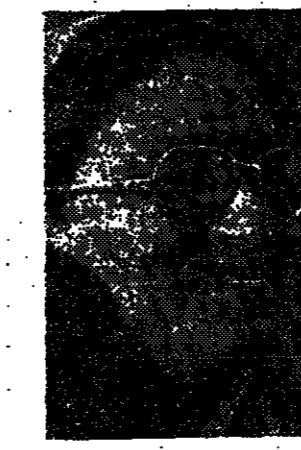
John Elliott in Dhaka reports on the aftermath of the presidential elections

Ershad retains a firm grip in Bangladesh

WIDESPREAD AND blatant rigging of two major elections in Bangladesh in the past five months has led to the rise of Lt Gen Ershad's strong grip on the levers of power, held since 1982 when he took over the country in a bloodless coup.



Ershad—on top



Hasina Wazed—uncertain

President Ershad now wants to make the Parliament the focus of political activity in the country, and potentially street politics of his opponents. It is assumed that one of the two opposition alliances, led by the Awami League, will take its seats in Parliament.

But the real test facing the regime is whether it manages to change its style of government. It has shed its martial law cover and is based on democratic (despite the rigging) institutions. Like other military rulers who do not have the cushion of such institutions to take some of the edge off opposition to controversial policies, President Ershad is criticised for being too pragmatic and too willing to shift ground in order to avoid possibly destabilising confrontations.

Advertisement for PLAN International, featuring the PLAN logo and contact information for the UK office.

Advertisement for FINANCIAL TIMES, US\$6 No. 190640, published daily except Sundays and holidays.

Japan faces UK call to liberalise money markets

By IAN RODGER IN TOKYO

BRITAIN will add its voice to those urging Japan to liberalise its short-term money markets when the two sides meet for their semi-annual discussion of financial issues in Tokyo on October 27.

Mr Nigel Lawson, Chancellor of the Exchequer, warned on Thursday night that, while the UK welcomed international competition in London, he expected foreign countries to provide access for UK companies in their financial markets.

The meeting is expected to cover other issues including international co-ordination of securities regulation and Japan's plans to regulate investment management.

Britain is hoping problems involving the issuing of banking and securities licences to individual companies, which have dominated previous meetings, can be put aside.

Last month, there was a breakthrough, with Japan's Nomura Securities being granted a banking licence in London and an affiliate of National Westminster Bank obtaining a securities licence in Japan.

Britain is now prepared in principle to grant banking licences to other Japanese securities companies but may delay issuing them until it sees how much of an impact Nomura will have in the London market.

However, Britain does not believe this should lead Japan to delay issuing securities licences for British banks, which are relatively insignificant in the Japanese market.

In common with the US and other European governments, Britain is frustrated with the rigidities in Japan's short-term markets, claiming these make it more difficult for foreign banks to do business in Japan.

Britain will be pushing Japan to remove barriers to the efficient operation of the interbank and Treasury bill markets.

Another issue of concern is legislation planned in Japan to regulate investment management. From November 27, investment management companies operating in Japan will have to obtain licences.

Many British companies have long been active in Japan and they fear the regulations, sparked by scandals in domestic fund management, may discriminate against foreign companies. They also fear that, as in the banks' case, the procedure for obtaining a licence may be long and painful.

Last month, Britain concluded an agreement with the US on co-ordinating the regulation of securities trading. It may pose something similar to the Japanese.

The Japanese delegation will be led by Toyoo Gyohden, the Vice-Minister of Finance and International Affairs, and the British by Sir Geoffrey Littler, Second Permanent Secretary to the Treasury.

Japan's wholesale prices decrease by nearly 12%

By CARLA RAPOPORT IN TOKYO

WHOLESALE prices in Japan continued to fall last month, with a decrease of almost 12 per cent compared with a year ago. At the same time, consumer prices remained virtually static.

In releasing the figures yesterday, the Bank of Japan said the fall was due to the combined effects of the yen's appreciation and the fall in the index of wholesale prices, based on 1980 levels, now stands at 87.4.

The most remarkable statistic was that suggesting prices for imported goods were 43 per cent lower than a year ago. Consumers of imported goods in Japan have noted little of this decline.

The bank said it expected the rate of decline in wholesale prices to lessen this month. It pointed to a recovery in the oil price and a rise in some non-energy commodities, such as rubber, cotton and grains.

Aquino meets communist rebels for first time

By STEVEN BUTLER IN MANILA

MRS CORAZON AQUINO, the Philippine President yesterday held her first face-to-face meeting with Communist rebels while visiting the island of Panay.

The meeting, which caught observers by surprise, was described by presidential aides as part of Mrs Aquino's efforts to seek a ceasefire with communist insurgents, estimated at 22,500-strong throughout the Philippines.

Details of the 40-minute meeting, which was arranged by local church officials, were not available.

Contact between the Government and ceasefire negotiators from the New People's Army (NPA) has been broken off since the arrest on September 29 of Mr Rodolfo Salas, a key member of the Central Committee of the underground Communist Party of the Philippines (CPP).

NPA negotiators have called for Mr Salas to be released before talks can resume. Earlier this week, Mrs Aquino signed an order releasing Mr Salas' wife and driver from jail in a gesture toward reconciliation.

Mrs Aquino is on a short tour of some of the most depressed agricultural regions of the Philippines, which are also strongholds for the NPA.

The regional military commander, Brig Gen Domingo Rio, told Mrs Aquino that 369 persons had died on Panay and nearby Negros Island since January in the rebel-related violence. NPA strength on the islands had grown by 56 per cent in the past year to nearly 700 regular combatants and 2,500 combat and service support elements.

Mrs Aquino's conciliatory attitude toward the communists has drawn sharp criticism from her defence minister, Mr Juan Ponce Enrile, who says the Government lacks a coherent policy to end the insurgency and that the rebels are using the talks to rearm.

Israel demands return of airman held in Lebanon

By ANDREW WHITLEY IN JERUSALEM

ISRAEL HAS demanded the return of a captured airman shot down over southern Lebanon on Thursday and threatened retaliatory action if he is not handed over immediately.

The airman, the co-pilot of a Phantom fighter bomber hit by a missile during a bombing raid on a Palestinian camp near Sidon, is believed to be held by the Lebanese Shia militia, Amal, headed by Mr Nabih Berri, Lebanon's Justice Minister.

Mr Uri Lührani, Israel's top government official responsible for southern Lebanon, said last night that Israel demanded the unnamed airman's return, and would not tolerate any harm to his safety.

"If he is still alive, we will make every effort—not just military—to get him back," an Israeli defence forces spokesman said earlier in the day.

Last night Israeli naval gunboats were patrolling off the shore of Sidon and preparations to send ground forces back into Lebanon in strength appeared to be under way.

Amal, which controls control of the Sidon region with a multiplicity of Lebanese and Palestinian forces, including the mainstream Palestine Liberation Organisation,

...tured the airman when he parachuted to the ground. He was said to be well, apart from suffering from a broken arm.

The pilot of the Israeli warplane, who evaded capture, was snatched back on Thursday night, in a daring helicopter-borne raid carried out in the thick of enemy fire. But contact was lost with his co-pilot.

The Israeli Defence Force, proud of at least partial success in Thursday's rescue operation, yesterday released details of how it got its pilot back. Located by his homing beacon, a small Cobra attack helicopter swooped down low enough for the airman to grab hold of its skids, then hauled him away to safety.

During the night, Israeli gunboats standing offshore, were said to have come under heavy machinegun fire. They replied with cannon fire. Exchanges of fire continued yesterday as the search operation got under way.

As it became increasingly likely that the co-pilot had been captured, desperate efforts were made by the Israeli military to establish his whereabouts.

The airman's equipment was put on display in a village near Sidon but there was no firm evidence as to his well-being. One report said he had been taken away in an ambulance and may have been moved north to

Lords attack government handling of visa rules

By Tom Lynch

THE GOVERNMENT was accused of lack of foresight yesterday over the chaos at London's Heathrow airport in which immigration officers have struggled to cope with a rush of visitors from the Indian sub-continent.

Lord Mishcon, for the Opposition, said in the Lords: "Can the Home Office lay any claim to either efficiency or humanity in permitting conditions such as have existed over the last few days which made terminal three of our great international airport look like a sordid refugee camp?"

The Government should have anticipated the rush before its imposition of a visa requirement for visitors from Bangladesh, Pakistan and India on Wednesday of this week, he said.

The short notice given of the introduction of the visa rules had led to "cruel travel agent rackets of which many of those people were victims," Lord Mishcon also criticised the lack of information available to waiting relatives.

For the Liberals, Lord Avebury said families had been made to wait in "indescribable squalor." His party would seek a vote in the Lords on the Government's actions over the visa scheme on November 20.

He asked why more temporary admissions had not been made so people did not have to be kept in detention during inquiries.

The Earl of Caithness, a junior Home Office minister, expressed the Government's regret at the delays but rejected accusations of lack of foresight. Extra staff had been provided with flights expected from the sub-continent, but many of the arrivals were from other places.

Lord Caithness rejected charges that the visa system was racist and insisted it would benefit bona fide travellers, whose plans would have been disrupted if had there been no notice of the visa scheme.

The decision not to use the temporary admission procedure for all arrivals was justified by the fact that 20 of those detained had ascended.

Of the 3,000 people who arrived from the Indian sub-continent on Tuesday, 768 were detained for further questioning, with 350 being then granted temporary admission and 170 returning home or being asked to leave.

The bill which implements the changes in EEC decision-making agreed between Community heads of government in February, completed its parliamentary progress in the Lords yesterday and will become law within the next few weeks.

Japanese to build £4m Ulster plant

CANYON CORPORATION, a Japanese manufacturer of mist sprayers, is to build a £4m factory in Northern Ireland which will employ 113.

Mr Tetsuya Tada, president, signed an agreement with the Northern Ireland Industrial Development Board which will provide grants towards the building of the factory at Mallusk, near Belfast.

ECONOMIC DIARY

TODAY: Stock Exchange stages rehearsal for Big Bang market restructuring.

TOMORROW: Department for National Savings monthly progress report (August). Foreign Secretary Sir Geoffrey Howe starts visit to Jakarta (until October 21). West German Chancellor Kohl visits Washington (until October 21).

MONDAY: Retail sales (September-provisional). Institutional investment (second quarter). EEC Industry Council meets in Luxembourg. EEC Interior Ministers hold informal meeting in London. European Parliament in session in Strasbourg (until October 24). EEC/Asian countries foreign ministers meet in Jakarta (until October 21). Austin Rover union delegate conference on pay in Coventry. TUC starts meeting on City report. Prince Charles and Employment Secretary Lord Young attend International Small Business Congress at Westminster Conference Centre.

TUESDAY: EEC Research Council meets in Luxembourg. Council's returns following summer recess. FT conference on "Developing the global market for equities" at Merchant Taylor's Hall. EEC. West German Chancellor Kohl meets President Reagan in Washington. Details of the privatisation of British Airways published. Nato nuclear planning group meets at Gleneagles.

WEDNESDAY: New construction orders (August). Index of production and construction for Wales (second quarter). Labour Party National Executive meets in London. TUC General Council meeting.

THURSDAY: Preliminary estimate of consumers' expenditure (third quarter provisional). Balance of payments current account and overseas trade figures (September). Confederation of British Industry hold conference on "Getting Government grants" at Centre Point.

Hazel Duffy looks at the specialists who draw up government bills

Chequered path of legal draftsmen

"WHEN JOHN met his uncle in the street he took off his hat." In 1963, Harold Macmillan, then Prime Minister, used this apparently simple sentence to illustrate a point to backbencher Tam Dalyell, who was seeking an assurance that legislation would not be drafted in obscure language.

"That is a clear sentence," Mr Macmillan told him. "But it is capable of at least six different meanings."

The reply, though not satisfying Mr Dalyell, is still valid in throwing light on the problems encountered daily by the team of civil servants—all lawyers—who are the professional draftsmen of legislation. Working behind the closed doors of the Parliamentary Counsel in Whitehall, it is they who have been struggling to embody the Government's policy for regulating the financial services industry into an intelligible bill.

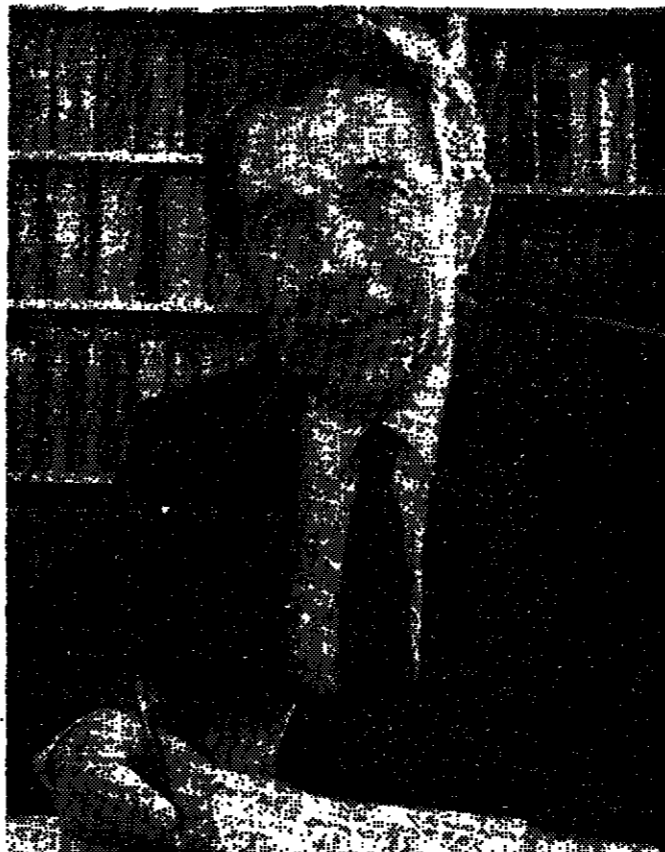
Critics of the Financial Services Bill, going through the Lords with 350 government amendments, say it is badly drafted. Similar accusations have been made of many bills, in the mistaken belief that a host of amendments means bad drafting. MPs sometimes criticise bills in this way when really they are in dispute with the policy.

Such jibes fail to draw the professional draftsmen. Shielded from the lobbyists, MPs, their Lordships, and even most of Whitehall, they are the last people who would want to be in the public eye.

In the 1985-86 parliamentary session, more than 50 bills drafted by the counsel are expected to receive Royal Assent. The current session has included the always complex Finance Bill, new regulations for building societies, education and the bill to privatise British Gas.

Before the Parliamentary Counsel was set up in 1869, barristers in private practice and even MPs had drafted bills. Since then, nearly all government bills have been the responsibility of the professional team.

Sir George Engle, a Queen's Counsel, known as the First Parliamentary Counsel, heads



Sir George Engle: leads team of draftsmen

Drafting bills is no leisurely intellectual exercise. Pressure dictated by the parliamentary timetable is considerable, both at the initial drafting phase—and a bill can have several drafts—and during its course through Parliament. Most large or controversial bills are heavily amended.

The team of draftsmen draws up government amendments and frequently re-drafts amendments from backbenchers which the Government says it is prepared to accept in principle.

The hazards of non-professional drafting are considerable. One MP employed a recently-retired professional draftsman to word his amendment, only to find it was unacceptable because his adviser had already lost the skill of the full-time draftsmen.

A long list of government amendments often means the Government has bowed to last-minute pressure for changes, rather than indicating bad drafting. Some amendments, however simple they look on paper, can almost amount to a new bill needing to be drafted.

With the tight timetable, this means there is no time to include amendments which might have improved the structure and wording of the bills.

There can be another hazard for draftsmen in that Acts of Parliament are open to legal challenge. Bills have to be much more precise when they will provide for taxation than when the legislation will enable the government to pay out money. The annual Finance Bill implementing the Budget can be a tortuous drafting job, while plugging loopholes in tax law is a formidable challenge for draftsmen who are pitting their skills against less than scrupulous financiers.

Lord Thring, the first head of the Parliamentary Counsel, coined the curious phrase: "Bills are made to pass as razors are made to sell." Sir George interpreted it at a conference on statute law as meaning that just as razors must sell before they get a chance to shave, so bills must pass before they can become law and do their work. It is no use drafting a bill in a way that makes it impossible to get it through parliament.

Kinnock criticises education initiatives

By Michael Cassell, Political Correspondent

MR NEIL KINNOCK, Labour Party leader, yesterday attacked recent government initiatives on education, claiming they were fundamentally wrong and represented "a withdrawal from reality and responsibility."

Mr Kinnock said at the Royal Society of Arts in London that education was on the brink of a period of massive change. Expectations of what education should achieve had never been higher, but resources had hardly ever been so conditionally available or confidence within the education service so low.

He claimed some of the recent initiatives appeared to be based on the notion that the education system was a desert, an error reinforced by an almost complete lack of personal acquaintance with the maintained system amongst ministers.

Having decided that the whole terrain was barren, the Government had tried to diminish the problem by creating oases, in the form of the assisted places scheme, the technical and vocational initiative and new city technical colleges.

Mr Kinnock said the decisions were wrong on several counts, not least because the Government's obsession with the idea that funding should be provided from outside the education system led to a further derogation of responsibility and a further loss of resources and initiative to the education service.

Woolworth board director resigns

MR RICHARD HARKER, 42, has resigned as main board director of Woolworth Holdings with responsibility for the operations of the F. W. Woolworth high street stores.

Mr Bill Bowers has resigned as chairman of Staffordshire Potteries three months after the company was taken over by Coleroll for £14m.

8.55%

NET

WE CAN'T HOLD THE OFFER FOR EVER

(BUT WE'LL GUARANTEE THE EXTRA FOR SIX MONTHS)

Our new Six Month Term Share isn't the only fixed-term lump sum investment opportunity available at the moment. But you'll do very well to beat our 8.55% net rate (12.04% gross equivalent).

All we ask is that you invest a minimum of £5,000 for a minimum of six months. During which period we'll guarantee the 3.30% p.a. differential over and above our ordinary share net rate.

And we'll even pay your interest monthly if you wish (8.24% net, 8.55% CAR).

Not surprisingly, our new Term Share is a limited issue. But it's available to everyone — first come, first served — right now.

For details, simply call in to your local Britannia branch, or send us the coupon.

Please send me full details of your Six Month Term Share as soon as possible. Please send me full details of your higher rates of interest for U.K. Non-Residents.


Name _____

Address _____

Post Code _____ FT14/10

Post to: Britannia Building Society, FREEPOST, Newton House, Leek, Staffs. ST13 5ND.

(Gross rate after 20% saving basis rate tax. Guaranteed differential 2.9%. Rates may vary.)



Britannia Building Society

DON'T INVEST A PENNY UNTIL YOU'VE CHECKED WITH US

BRITANNIA BUILDING SOCIETY, NEWTON HOUSE, LEAK, STAFFS. ST13 5NG. TEL: 0538 385131. ESTABLISHED 1856. A MEMBER OF THE BUILDING SOCIETIES ASSOCIATION. FOR BRANCHES AND AGENTS SEE YOUR LOCAL DIRECTORIES. ASSETS NOW EXCEED £3,500 MILLION.

Dorset onshore oilfield scheme given go-ahead

By Lucy Kellaway

DEVELOPMENT OF the largest onshore oilfield in Western Europe — at Wyth Farm in Dorset — was given the go-ahead yesterday by the county council.

The decision came as a great relief to BP, the operator of the field, which has staged an unprecedented lobbying campaign over the last two years aimed at environmental groups and the council.

The Dorset County Council approved unanimously all 17 proposals put forward for a development which will cost £265m and boost oil production from the present level of about 6,000 barrels a day to a maximum of 60,000 b/d.

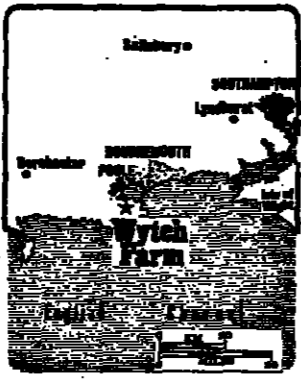
"We are delighted with the outcome. It demonstrates that as a result of our consultations with local and national interests our scheme has gained wide acceptance," Mr Kneale Johnson, director of the Wyth Farm project said yesterday.

The Council for the Protection of Rural England, which had asked for a public inquiry into the development of Wyth Farm said yesterday it was "relatively satisfied" with the final proposals.

These include 48 new wells, most of which will be drilled from existing sites, and the extension of the station when the oil is gathered from 10 to 33 acres. Development is expected to start in the middle of next year, and peak production — involving 10m cubic feet of gas a day and 195,000 tonnes of petroleum and bitumen — will be reached in 1989.

Development is now subject to approval from the Department of Energy for a pipeline to carry the oil to a terminal on Southampton Water.

BP said the total reserves of



The field are about 230m barrels, more than earlier estimates of about 200m barrels. Wyth Farm is of comparable size to the smaller of the North Sea fields, most of which are uneconomic at current oil prices.

The field are about 230m barrels, more than earlier estimates of about 200m barrels. Wyth Farm is of comparable size to the smaller of the North Sea fields, most of which are uneconomic at current oil prices. By comparison, the relatively low cost of developing oil fields onshore will make Wyth Farm profitable for BP and its partner—Tricentrol, Premier, Consolidated, Carlisle, Clyde and Goal—at oil prices well below current levels.

Wyth Farm lies between the Poole Harbour and Purbeck in an area of outstanding natural beauty which encompasses areas of Special Scientific Interest.

The granting of planning permission will be encouraging for oil companies negotiating with local councils in Kent, Surrey and in the Midlands to obtain permission to drill.

Of the £265m total investment in Wyth Farm, about \$48m is likely to be spent locally, creating jobs for about 1,400 people. During production, which is expected to run for 25 years, about £8.5m a year should be spent locally, and about 400 people employed.

Court tells bank to free Libyan assets

By Raymond Hughes, Law Courts Correspondent

THE LONDON branch of the New York-based Bankers Trust Company has been ordered by the High Court to pay \$131.2m (£81.7m) to a Libyan bank.

The money is part of \$300m claimed from Bankers Trust by Libyan Arab Foreign Bank, wholly-owned by the Libyan central bank, in a dispute stemming from President Reagan's freeze on Libyan assets in US banks as part of his anti-terrorism drive.

At a private court hearing on Thursday, Mr Justice Evans gave the Libyan bank an order for summary judgment on its claim for the \$131.2m to which, the Libyans had contended, Bankers Trust had no arguable defence.

Yesterday, Bankers Trust returned to court and applied successfully to have the judgment suspended pending an appeal.

Bankers Trust said later that the \$131.2m was the only part of the \$300m that had indisputably been in London when Mr Reagan imposed his freeze.

The case — a step in Libya's attempts to free its frozen assets — concerns funds the Libyan bank claims it instructed should be transferred from New York to Bankers Trust in London.

The appeal is expected to be heard in about six weeks. The remaining part of the Libyan bank's claim is due to come to trial next June.

The case raises questions about the extra-territorial powers of the US Government and is being closely watched by the international banking community because of its far-reaching implications.

The central issue — whether the US has the legal right to freeze bank assets outside its own territory — has never been ruled on by the courts.

Launch of Third Market postponed

By Alice Rawsthorn

THE Stock Exchange has postponed until early next year the introduction of the Third Market, the mechanism for dealing in shares of young unquoted companies which will act as a junior tier to the main market and the Unlisted Securities Market.

The introduction of the new market was originally intended for October 27, the day of Big Bang, when London securities markets are deregulated. The date had been postponed a few weeks ago until December 8.

The Stock Exchange attributes the delays to the problems that the Third Market Development Group, the committee charged with devising a suitable structure for the Third Market, has encountered in thrashing out the practical details of the launch.

Mr Graham Kennedy, joint chairman of the Stock Exchange's listings committee, said the group have been timely to have introduced the Third Market on Big Bang day, but with all the work involved in our preparations for deregulation there simply has not been enough time.

The Third Market will provide a mechanism for dealing in the shares of companies too small or too young to be quoted on the main market or USM under the aegis of the Stock Exchange. Until now the shares of these companies have been traded off the Stock Exchange floor on the informal over-the-counter market.

Dealings in Third Market shares will be restricted to members of the Stock Exchange and companies will be introduced to the market by member sponsors. The Stock Exchange will delegate responsibility for ensuring that these companies

are suitable for Third Market trading to the member sponsors.

Mr Kennedy said: "We hope that many of our members will become involved in the Third Market and so far have had indications that several firms intend to. This should ensure that the market is more liquid than the existing OTC market."

Once dealings begin on the Third Market both the Stock Exchange and the Third Market Development Group will keep a close watch on its progress.

Designed to favour the older members, as their £10,000 payment will become due as soon as they reach the age of 60 whereas younger members will have to wait for up to 30 years. This will minimise the windfall gains accruing to younger members who have only recently become Stock Exchange members.

Compensation payments will be brought forward if a member dies or becomes insolvent, although no payment will be made before March 25, 1987.

The arrangement is also designed to ensure that the recipient becomes liable only to capital gains tax — and not to income tax — on his £10,000 payment, provided he takes the money on or after his retirement. Individuals have a £6,000 annual exemption from CGT and thereafter gains are taxed at a 30 per cent rate.

The total cost of the compensation will be £34m, or approximately two-thirds of the exchange's current annual revenue. But as it will be spread over several decades, the compensation will be paid out of the Stock Exchange's regular income. The joining fees of up

STOCK EXCHANGE PLANS FOR CONSTITUTIONAL CHANGE Reforms pave the way to merger with Isro

By Clive Wolman

THE STOCK EXCHANGE Council is proposing four major constitutional amendments to permit the exchange's merger with the International Securities Regulatory Organisation (Isro) to proceed.

The chief amendments are:

- Voting control over the new exchange and associated self-regulatory organisation (SRO) will be transferred from individuals to member firms, each of which initially will have one B share conferring one vote.
- The present individual and external members will each be given one A share which will carry no votes but will be redeemable by the Stock Exchange when the member reaches the age of 60 or, if he chooses, when he retires. Each member will be paid £10,000 on redemption.
- The new Stock Exchange will be divided between two bodies: a recognised investment exchange (RIE) and an SRO, with control shared between Stock Exchange and Isro members.
- The Stock Exchange will be converted into a limited company so that its owners will no longer have unlimited liability for its debts and obligations.

All the constitutional changes

will require a 75 per cent majority of the existing members to become effective. The initial vote will take place at a general meeting which has been called for November 11. For those who have not attended, a poll will be held the next day in the Stock Exchange building between 11 am and 4 pm.

In a letter to members sent yesterday, Sir Nicholas Goodson, Stock Exchange chairman, explains that the way members are to be compensated for the transfer of their voting rights has been strongly influenced by tax considerations.

If the Stock Exchange were to be wound up and its assets, in particular the Stock Exchange tower, sold and the proceeds distributed, each member would receive about only £750 net share after the payment of capital gains tax. Sir Nicholas says. In addition, continuing businesses would face a heavy burden financing the establishment of a new exchange at a time when substantial investments might be required in technical systems.

As it is, the compensation arrangements have been

designed to favour the older members, as their £10,000 payment will become due as soon as they reach the age of 60 whereas younger members will have to wait for up to 30 years. This will minimise the windfall gains accruing to younger members who have only recently become Stock Exchange members.

Compensation payments will be brought forward if a member dies or becomes insolvent, although no payment will be made before March 25, 1987.

The arrangement is also designed to ensure that the recipient becomes liable only to capital gains tax — and not to income tax — on his £10,000 payment, provided he takes the money on or after his retirement. Individuals have a £6,000 annual exemption from CGT and thereafter gains are taxed at a 30 per cent rate.

The total cost of the compensation will be £34m, or approximately two-thirds of the exchange's current annual revenue. But as it will be spread over several decades, the compensation will be paid out of the Stock Exchange's regular income. The joining fees of up

to £50,000 which will be paid by Isro members joining the new exchange will help defray the cost.

The Stock Exchange has the right to nominate 15 practitioner members to the Council of the new RIE and two lay members. It will also nominate 10 practitioners to the new SRO Council and three independent lay members to represent the public. The people who have been nominated are drawn from the current Stock Exchange Council and cover a representative spectrum of firms. They were selected by a group of five "senior disinterested people" who were appointed to the task by the Council, Sir Nicholas said.

Sir Nicholas himself, who is being nominated to serve on both Councils, said he would be available to serve as chairman of the RIE Council for the next two years or so but not as chairman of the SRO Council.

The members of the two new Councils will serve for about two years during which time they will decide on a method for electing their successors.

It could, however, try to stimulate interest in small companies through marketing, or try to change the complexion of the USM by reforming the rules which influence the type of companies joining the market.

SE prepared to act on problems of liquidity

By Alice Rawsthorn

THE STOCK EXCHANGE confirmed yesterday it would be prepared to act to solve liquidity problems that might arise in dealings in the shares of small companies after Big Bang on October 27.

"We recognise that there is concern that the market in the shares of small companies may become illiquid after the Big Bang," Mr Graham Kennedy, joint chairman of the Stock Exchange's quotations committee, said. "But if there are problems we will have to deal with them as they arise."

Mr Kennedy was speaking at a conference in London yesterday to mark the start of dealings in the shares of Interlink, an overnight parcels delivery service and the 500th company to join the Unlisted Securities Market.

As Big Bang approaches, concern has grown that in the more competitive climate of the London securities markets, dealings may be concentrated in larger, more profitable transactions, to the detriment of small companies.

County Bispod, the jobbing arm of the National Westminster Bank and the only jobber to make markets in all USM shares, has said it will not continue to make markets in every USM stock after deregulation.

Mr Kennedy said that if liquidity problems arose from a lack of dealer-interest in small companies, there was little the Stock Exchange could do.

It could, however, try to stimulate interest in small companies through marketing, or try to change the complexion of the USM by reforming the rules which influence the type of companies joining the market.

Freer European markets 'vital for stronger growth'

By Philip Stephens, Economics Correspondent

A PLEA for European governments to embark on a programme of liberalising international and domestic markets has been made by Mr Herbert Giersch, Professor of Economics at West Germany's Kiel University.

Delivering the annual Wincott Lecture in London, Mr Giersch said such a programme was vital if the industrialised economies were to achieve a return to the 4 per cent to 5 per cent growth typical of the 1960s and 1970s.

Mr Giersch said the rapid growth in the European economy after the Second World War was explained by the rapid liberalisation of internal and external markets.

In West Germany "a liberalisation miracle" brought the gradual revival of confidence in open economic systems. That was accompanied by the liberalisation of trade in manufactures, across Europe and US leadership in a worldwide trend towards the removal of trade restrictions and a lowering of tariffs.

The virtuous circle, however, began to crumble during the late 1960s. Governments began to place more reliance on demand management with full employment promises that later became promises to protect specific activities and jobs. At the same time, a worldwide explosion coincided with worldwide price rises for fuel and raw materials, giving excessive rises in real wages.

"Europe's classical overemployment of the 1960s thus turned into Europe's classical

unemployment of the 1980s," Mr Giersch said. "While the 4 to 5 per cent growth of industrial economies in the 1950s and 1960s went along with the opening of markets, the 2 to 3 per cent growth of the 1970s and 1980s was marred by rising protectionism, both within and among countries."

Mr Giersch said that after 15 years of relative stagnation Europe in the second half of the 1980s had an opportunity to embark on a new programme to bring an acceleration in economic development. All countries need fiscal consolidation in some form had brought confidence in relative price stability.

"Never during the last 15 years have prospective conditions for such a programme been better than now," he said.

The programme would have to include at least three basics: The liberalisation of national labour markets for more flexibility. The completion of the internal market within the European Community, and the liberalisation of external trade in goods and services.

"We learned in the immediate post-war period that liberalisation, domestic and international, can produce what economists, in retrospect call a miracle. Liberalisation fostered growth, growth fostered liberalisation. We now also have the experience of the small Asian countries that have done so well when they became open again — in Europe and worldwide," said Mr Giersch.

Solicitors split over changes

By Raymond Hughes

SOLICITORS ARE split over what one of their leaders described yesterday as the legal profession's equivalent of the Big Bang.

Debates at the Law Society's conference in London on the threats posed by financial institutions' advertising, conveyancing and the trend towards mixed partnership divisions revealed a deep division.

Some solicitors argued for retirement and "going it alone," others argued that the profession should bow to the inevitable.

Mr Derek Bradbeer, the society's vice president, spoke of a revolution as significant for the profession as the Big Bang was for the City.

Mr Duncan Ogilvy, chairman of the Young Solicitors National Committee, said it was less a question of a Big Bang than of solicitors fading into obscurity as other professions encroached on the legal field. Mixed partnerships were not the answer — solicitors must "get organised and stay independent."

Mr David Thomas, from Birkenhead, said there was a great danger of a split in the profession. Although there was a majority against mixed partnerships, there was also a strong feeling that they were inevitable.

Sir Max Williams, a former Law Society president, said he did not think solicitors could stop mixed partnerships.

BCal chief urges staff to seek record £30m profit

By Michael Donne, Aerospace Correspondent

SIR ADAM THOMSON, chairman of British Caledonian, the independent airline, part of Caledonian Aviation group, is asking staff to achieve a record £30m profit in the financial year 1986-87 starting November 1.

Results for this financial year are not revealed but are understood to be down on Caledonian Aviation's £21.7m group profit for the year to last October 31.

This is due to difficulties which include this summer's fall in North Atlantic traffic stemming from US travellers' fears of terrorism in Europe; problems in Libya after the US bombing; the decline in crude oil prices which has hit traffic to Saudi Arabia; and currency problems in Nigeria.

None of these problems is dealt with by Sir Adam in his message to staff. He says: "We still know about the problems of the airline, but we must not let them often enough and I do not intend to dwell on them now." Instead he emphasises that "part of the foundation for a successful 1986-87 financial year has been built by those who have responded to those problems."

These messages included the extensive retrenchment programme announced this summer involving a cut of about 1,000 staff; the closure of some sales offices; and a reduction in flights.

Sir Adam tells staff that, for the coming year, "problems still exist in parts of the airline which will be resolved." He says productivity per employee has risen, overheads have been trimmed and that the airline is "demonstrably more flexible and responsive in working practices."

He says that "not since the early 1950s, when we opened our first gateway in the US and created the Middle East and Far East network, has there been the opportunity for the kind of major expansion we shall see in 1987." As all the plans were put in place BCal would expand by no less than 13 per cent next year.

The European Investment Bank has lent £5m for 10 years to Caledonian Airmo, the Prestwick aero-engineering facility, part of Caledonian Aviation group. The loan is the first instalment of a total borrowing that could reach £19m to help fund a doubling of the plant's size by next spring.

British Airways last night started its first non-stop London-Hong Kong flight when a Boeing 747 with improved Rolls-Royce RB211-524D4 engines left Heathrow aiming to cover 7,333 miles in 12 hrs 25 min. The flight was for route-proving purposes. Regular weekly non-stop flights are planned.

Dunbar and Capel to forge link

By Hugo Dixon

ALLEN DUNBAR, a financial services group, is to channel most if not all its private-client business through James Capel, stockbroker.

As part of the deal, a new company, Allied Dunbar, James Capel, is being set up. The deal will allow Capel to expand its private-client base and Dunbar to offer stockbroking expertise to clients.

Mr Hugh Jenkins, Dunbar group investment director, said: "There will be a closer agreement over private clients. Neither of us wholly exclusive or substantially exclusive has yet to be decided."

Dunbar has 3,500 salesmen selling mostly life insurance, pensions and unit trusts and £4.8m under management.

Mr Jenkins said this institutional business was channelled at the moment through a variety of stockbrokers, including Capel, and there was no plan to make the arrangement exclusive.

"However, we will be putting more business through companies which we take our research from," he said.

The link's main emphasis will be to develop new products for private individuals.

Personal equity plans are high on the list though other products are also being looked at. Dunbar will fund the business and pass it to Capel.

The new company will not trade or employ staff. It will be a name for new products and a profit-sharing device.

Profit-related pay plan receives business support

By Philip Bassett, Labour Editor

THE GOVERNMENT'S proposals for the introduction of profit-related pay are warmly supported by business leaders — though not without some significant reservations, according to a business opinion survey by the Institute of Directors.

In a letter sent yesterday to Mr Nigel Lawson, Chancellor, the IoD reports an "encouragingly wide spread of support" for the idea, canvassed in a green paper, of providing tax relief for companies linking a proportion of their employees' pay to profits.

The survey of more than 400 IoD and company board members shows that 68 per cent of directors whose companies do not have such schemes would consider introducing them if legislation were enacted. Of those with schemes, 83 per cent said they would modify them to bring them within the tax benefit provisions.

There was no evidence, however, that employers believed

the introduction of such a scheme would in itself provide direct economic stimulus or significantly improve employment prospects, according to Mr Graham Mather, IoD policy unit head.

The IoD says its survey, in which 54 per cent of respondents already had a profit-share or employee share ownership scheme, offers "strong encouragement" for the Government to press ahead with its plans. Employers did not believe it would lead to a situation where pay cuts replaced job shedding resulting from productivity gains.

The IoD is concerned about what it describes as the "adequacy" of the tax relief proposed — available on one-quarter of profit-related pay to a limit of 5 per cent of total pay or £1,000, whichever is lower. It is bothered by the possibility of the relief's being temporary and the absence of a proposal for tax benefit to apply to the paying company.

Andrew Taylor on how the Channel tunnel project could depend on investors' faith in its chief executive Long road ahead for Frenchman in charge of Eurotunnel

FINANCIAL institutions will be deciding during the coming week whether to invest an initial £200m in shares in Eurotunnel, the Anglo-French consortium planning to build a £2.4bn rail tunnel between Britain and France.

They will be considering, among other things, whether Mr Jean-Loup Dherse, the project's newly-appointed chief executive, has the ability to transform Eurotunnel from a disparate group of bankers and contractors into a smooth-running efficient transport company.

Equally important for Mr Dherse and his British deputy Mr Michael Julien, former Midland Bank finance director, will be to rekindle public enthusiasm for a project hit by delays in arranging finance and by a noisy and well-orchestrated opposition campaign from cross-Channel ferry companies, conservationists and local residents.

Public confidence in the company and its plans will be crucial next summer when Eurotunnel proposes a £750m international share offer before seeking a quotation on the

London and Paris stock exchanges.

The consortium privately admits it has suffered from the delay in appointing a chief executive. The choice of a Frenchman was necessary to satisfy national honour once it was decided that Eurotunnel's principal headquarters was to be the former London headquarters of Blue Circle, Britain's biggest cement manufacturer. Britain was also responsible for appointing Mr Dherse's deputy.

The French were looking initially for a leading public figure, with experience of running a large operation such as a nationalised industry, to lead the company.

Mr Francis Bouygues, chief of Bouygues, France's largest construction group, and a founding shareholder of Eurotunnel, makes no secret of his admiration for Sir Nigel Brookes, chairman of the British group Trafalgar House. He would have liked somebody with similar style and stature appointed from the French side and some say he would still like Sir Nigel to join the team.

In Mr Dherse the consortium has a highly respected 53-year-

old industrialist with wide international experience — but someone who is not yet a household name in either France or Britain.

His credentials include five years in the French civil service working for the oil and gas division of the energy and industry department, where he helped to prepare settlement terms for Algerian independence, and three years at the World Bank as vice-president for energy and industry.

There was a spell in between in Canada with Lafarge, the French cement company; five years as a senior executive with Pechiney, the French aluminium and special metals group; and almost 10 years as a director of Rio Tinto-Zinc, the British-based mining group.

At RTZ he helped to establish the company's North Sea energy interests and was closely involved in important negotiations with customers at RTZ's Rossing uranium mine in Namibia.

Former colleagues describe him as an extremely determined skilled negotiator who relies on persuasion rather than brute force, though "he can get the

bit between his teeth when he wants."

One British colleague said: "He will argue his case forcefully but is very French and if he sees himself coming up against a brick wall is likely to step back, shrug his shoulders, and try to find another way around. He can be very chameleon but is not easily diverted. He would not avoid publicity but does not go out of his way to seek it."

Mr Dherse left RTZ three years ago to join the World Bank where he played a leading role in increasing private enterprise involvement in third world energy projects. Bank colleagues describe him as a tenacious advocate of the benefits of private sector management.

He was given a tough time initially, according to one World Bank employee. "It was an obsession that was used in dealing with governments and nationalised industries. Although the need to change was recognised by senior management, he had to work extremely hard to get his views across to others in the organisation."

Mr Dherse will be expected to use all his determination and persuasiveness as a negotiator at Eurotunnel. The company will need a firm hand at the tiller as it seeks to create an efficient operation from the diverse and sometimes conflicting interests of the bankers and contractors who founded the consortium.

A new board of directors of which only two members are contractors — one each from Britain and France — has already been established.

A much broader range of shareholders will also help.

On the public front, Mr Dherse will have to dispel some of the fears raised by opponents about the scheme's financial viability and the tunnel's safety.

This problem appears greater in Britain than in France where the opposition is stronger and where the hybrid bill establishing the legal framework for the project has still to be successfully steered through Parliament.

Mr Dherse, who joined RTZ when the company was appointed project managers during the last attempt to build a rail



Jean-Loup Dherse: not yet a household name

Dover to build £2m berth to handle deep-sea ferries

By Andrew Taylor

THE PORT of Dover, which opposes plans to build a Channel tunnel, is to spend £2m developing a deep-water berth, expected to open next June, to handle deep-sea roll-on, roll-off ferries.

Yesterday the port said: "Existing ferry facilities can cope only with short sea traffic. This will increase the scope of our business and in particular encourage establishment of roll-on, roll-off trade coming from further afield but ultimately destined for the Continent."

The berth will be at the eastern end of the ferry port. It will be a floating pontoon, 9 m deep at low water, anchored to the seabed by ballast tanks. Existing ferry berths have a 7 m depth at low water, although larger ships can be handled in the adjoining general cargo dock at Dover.

A contract to design and build the berth has been awarded to MacGregor Navire UK. British shipbuilders are expected to build it.

A national advertising campaign to recruit the first 4,600 workers needed to build the British end of the proposed

Channel tunnel starts next week.

Up to 650 white-collar staff are likely to be recruited by British management of Trans Manche, the separate company established by Eurotunnel to build the 31-mile long rail tunnel between Britain and France.

Mr David Staines, British Trans Manche director responsible for recruitment, said yesterday induction of the 4,000 hourly-paid employees would also start shortly.

Building of the plant to make the tunnel's concrete liners is expected to start next month on the Isle of Grain, Kent. The first liners are due to be made next spring although work on the tunnel could not start until the autumn, even if Parliament gave final approval to the project.

The Advertising Standards Authority has ruled that Flexlink advertisements opposing construction of the Channel tunnel breach its code. It has asked the Newspaper Publishers' Association to request members not to publish them.

FRAMLINGTON

FINANCIAL FUND

A New Unit Trust Investing for Growth in Financial Services Companies

FRAMLINGTON Financial Fund will aim for maximum capital growth through investment in the most interesting sector of the moment: financial services companies throughout the world.

Financial services are going through a period of rapid growth and change, thus creating an important investment opportunity. In this country, the securities industry is changing dramatically, and new legislation is rapidly enlarging the scope of profitable operation for banks, insurance companies and fund management companies.

More generally, international de-regulation and the decline in world-wide inflation significantly improves the prospects for financial services operations everywhere. Framlington Financial Fund will aim to make the most of these opportunities, whether in the U.K., the U.S.A., Europe, or the Far East.

THE FRAMLINGTON APPROACH

Our special style is to concentrate on smaller companies, trying to identify those with really good growth prospects before the rest of the market recognises their promise, aiming for good long-term capital growth performance. The results speak for themselves.

OUR RECORD

Framlington has an outstanding long-term growth record. The average annual compound rate of growth in the price of units (on an offer-to-bid basis) of each of our capital growth funds between launch and 1st October 1986 was as follows:

Fund	Launched	Growth
Capital	Jan 69	+15.1% p.a.
International Growth	Oct 76	+25.3% p.a.
American & General	Apr 78	+19.0% p.a.
American Turnaround	Oct 79	+22.4% p.a.
Recovery	Apr 82	+24.7% p.a.
Japan & General	Feb 84	+26.1% p.a.
European	Feb 86	+45.6% p.a.

Every one of these Framlington funds has outperformed the FT All-Share Index, the Dow-Jones Industrial Average and the Standard and Poors Composite Index.

OUR INSIGHT

Framlington Group plc is itself a financial services company. This gives us invaluable insight into the sector. Apart from our unit trusts, off-shore funds

and life insurance interests, we are expanding into investment trusts, pension funds and private portfolio management through acquisitions which will bring our funds under management up from £420 million to over £1,300 million.

TWO KINDS OF UNITS

Units are available in both income form (with distributions twice a year) or accumulation form (in which net income is reinvested). Since the aim of the fund is out-and-out capital growth, investors are recommended to choose accumulation units. The estimated gross initial yield is one per cent.

HOW TO INVEST

Until 31 October units are available at the initial price of 50p each. To invest, complete the application form and send it to us with your cheque to arrive by 3pm on 31 October. Applications of £10,000 or over will receive a bonus of one per cent additional units at the expense of the managers.

From 3 November units will be available at the ruling offer price.

Investors should regard all unit trust investment as long term. They are reminded that the price of units and the income from them can go down as well as up.

TSB SHARES

You may use a TSB letter of acceptance as part of your remittance. Your shares will be sold free of commission at the price ruling when the renounced letter is received and the proceeds used to buy units, rounded up in your favour to the nearest whole unit. You should complete the application form leaving the amount to be invested blank and send it together with your signed TSB letter of acceptance and any cheque. Remember that the minimum investment in Framlington Financial Fund is £500.

SAVINGS PLAN

There are facilities for investing by monthly direct debit, with the first allocation of units on 31 October. For an application form, telephone 01-628 5181 before 24 October.

GENERAL INFORMATION

Applications will be acknowledged; certificates will be sent by the registrars, Lloyds Bank Plc, normally within 42 days.

The minimum initial investment is £500. From 3rd November units may be bought and sold daily. Prices and yields will be published daily in leading newspapers. When units are sold back to the managers payment is normally made within 7 days of receipt of the renounced certificate.

Income net of basic rate tax is distributed to holders of income units on 15 June and 15 December each year. The first distribution will be on 15 June 1987.

The annual charge is 1% (+VAT) of the value of the fund. The initial charge, which is included in the offer price, is 5%.

Commission of 1¼ per cent (+VAT) is paid to qualified intermediaries. Commission is not paid on savings plans.

The trust is an authorised unit trust constituted by Trust Deed. It ranks as a wider range security under the Trustee Investments Act, 1961. The Trustee is Lloyds Bank Plc.

The managers are Framlington Unit Management Limited, 3 London Wall Buildings, London EC2M 5NQ. Telephone 01-628 5181. Telex 8812599. Registered in England No 895241. Member of the Unit Trust Association.

This offer is not open to residents of the Republic of Ireland.

INITIAL OFFER

OF UNITS IN FRAMLINGTON FINANCIAL FUND
AT THE INITIAL FIXED PRICE OF 50P EACH UNTIL 31ST OCTOBER 1986

TO: FRAMLINGTON UNIT MANAGEMENT LIMITED, 3 LONDON WALL BUILDINGS, LONDON EC2M 5NQ

I/WE WISH TO INVEST THE SUM OF £ (MINIMUM £500) IN FRAMLINGTON FINANCIAL FUND

AND ENCLOSE A CHEQUE PAYABLE TO FRAMLINGTON UNIT MANAGEMENT LIMITED. I AM/WE ARE OVER 18.

FOR ACCUMULATION UNITS IN WHICH NET INCOME IS REINVESTED, PLEASE TICK HERE

SURNAME (MR/MRS/MISS) _____

FULL FORENAME(S) _____

ADDRESS _____

SIGNATURE(S) _____

(Joint applicants should all sign and if necessary enclose details separately)

FRAMLINGTON FINANCIAL FUND

BY ORDER

FORCED DISPOSAL HIGHLY IMPORTANT PUBLIC AUCTION

OF SEVERAL HUNDRED EXCEPTIONALLY FINE
AND MEDIUM QUALITY, HANDMADE
PERSIAN CARPETS

RUGS AND RUNNERS

and others from the more important weaving centres of the East. Included are many antique, silk, hafira, nomadic and other unusual items not generally to be found on the home market. This merchandise is the property of a number of principal direct importers in the UK which has been cleared from

H.M. CUSTOMS & EXCISE

band, to be disposed of at nominal or no reserve for immediate cash realisation. Every item guaranteed authentic. Expert advice available at time of viewing.

To be transferred from bonded warehouses and offered at the

ENGLISH SPEAKING UNION

DARTMOUTH HOUSE, 37 CHARLES ST.,
BERKELEY SQUARE, LONDON, W1
(Adjacent to Grosvenor Hotel)

On Sunday 19th Oct. at 3pm

VIEWING FROM 12 NOON ON DAY OF SALE

AUCTIONEERS NOTE: Owing to the urgency of realising immediate cash, these items are being offered under instructions to ensure complete disposal.

BALLINGTON GRANGE LTD., 28 ROSSLYN HILL
HAMPSTEAD, NW3. Tel: 01-794 5912

Engineering claim talks 'have only 50-50 chance'

BY HELEN HAGUE, LABOUR STAFF

DR JAMES MCFARLANE, Engineering Employers Federation director general, yesterday said protracted talks with engineering unions on a trade-off between shorter working hours and flexibility had only a 50-50 chance of success.

He spoke after engineering union leaders representing 1m manual workers formally submitted a pay claim for what they called a substantial rise on the national minimum-pay rate in the sector.

The claim includes a call for the working-week to be cut to 35 hours. This issue is being discussed in a sub-committee comprising members of the Confederation of Shipbuilding and Engineering Workers and Federation representatives.

However, Mr Bill Jordan, Amalgamated Engineering Union president, made clear that rises of at least 7 per cent to 8 per cent were sought.

The national minimum rate agreed between the confederation and the federation directly determines pay rates of 600,000 manual workers employed by the federation's 5,000 member-companies.

None the less, up to 1.5m workers could be affected by the agreement because it sets the pace both for domestic settlements with staff unions and for companies not affiliated to the federation.

Mr Jordan, who led the confederation's 12-strong negotiating team, said the claim would not be inflationary or job-destroying. About 95 per cent of engineering workers receive higher rates than the national minimum, through company or local agreements within the industry's two-tier bargaining structure.

National minimum rates are £101.50 a week for skilled workers and £73.10 for unskilled. However, the average wage for a skilled worker is £154.20 and for the unskilled £112.

The federation will not make a formal response to the claim until next month. After yesterday's meeting Dr McFarlane said employers would bear in mind the current inflation rate when shaping their reply.

He hoped talks on increased flexibility and shorter working hours would lead to a national agreement. He emphasised that before any final proposals could come on stream all unions in the talks would need to agree to them.

The sub-committee on hours is due to meet on October 29 when the federation will be pressed to put a figure on the cuts in working-time which it is prepared to countenance.

The confederation district in Manchester has tabled a motion to the body's forthcoming executive meeting, calling for an end to the current talks. Shop-stewards from across the region have been called to a strategy meeting on Monday.

Sealink occupations continue despite vote

Financial Times Reporter

OCCUPATIONS WERE continuing last night on board two Sealink ferries—despite a vote earlier yesterday to end the two-week-old dispute.

In Guernsey, the captain of the Earl William was handed an ultimatum from the Channel Islands Advisory Council threatening to leave the ship marooned in the harbour unless the sit-in ended by 7 am today.

In Weymouth, an official of the National Union of Seamen said the occupation of the Earl Godwin would continue until it was certain seasonal deck hands would get redundancy money along with the rest of the crew.

The dispute, which broke out after the loss-making Sealink announced job cuts on its Channel Island route, officially ended yesterday when more than 200 seamen voted to accept a nationally-agreed peace package at a mass meeting in Southampton.

Although the deal, which NUS officials said would save 86 jobs, was accepted by a margin of two to one, many men were angry as they left the meeting.

Mr Roger Berry, chairman of the Channel Islands Advisory Council, said last night he had spoken to the captain of the Earl William and representatives of the crew and received no assurance the ship would be moved, despite the vote in Southampton.

In the ultimatum, the council said all harbour facilities would be withdrawn and no water would be supplied to the ship except for a standpipe on the quay.

Industrial relations 'similar in domestic and foreign groups'

BY PHILIP BASSETT, LABOUR EDITOR

INDUSTRIAL RELATIONS in British and foreign-owned companies operating in the UK show no real difference either in principle or practice, according to the Confederation of British Industry.

The CBI's views, set out in unpublished evidence to the House of Commons cross-party employment select committee for its inquiry into the industrial relations practices of foreign-owned companies in the UK, counter-balance suspicions—that the working practices of foreign-owned companies operating in Britain are substantially different from those of domestic employers.

In its submission, the CBI acknowledges that "in many cases, the industrial relations practices of foreign-owned companies have made a beneficial and significant impact on prevailing attitudes in industry generally," pointing especially to "innovative and imaginative management techniques."

However, it points out that, while many UK companies have learnt from foreign-owned employers and are introducing such practices as quality circles as a result of their successful application elsewhere, others are moving towards trying to diminish internal status conflicts through harmonisation, better communications and trying to regain their competitive edge.

The CBI says that in the present economic climate, all companies are having to improve working practices and introduce greater flexibility.

This has been a significant factor in the move towards single-union deals, for instance, which are widely seen as a mark of foreign-owned companies ready to recognise unions: "It is these economic pressures rather than the application of any foreign concepts that have accelerated the trend towards single-union representation."

Similarly, the CBI is cautious about the strike-free deals a small number of foreign-owned companies have reached with workforces in the UK. "Whatever the impact of such agreements on industrial relations in the long run, it is important to note that their impact should not be over-stated."

ASTMS to pick officials before merger vote

BY HELEN HAGUE, LABOUR STAFF

THE WHITE-COLLAR union, ASTMS, is to appoint two key officials in advance of its annual conference next spring, when delegates are expected to vote on whether to back a merger with Tass, the manufacturing union.

The decision to select two assistant general secretaries before next March was approved last weekend by the union's executive by a majority of 19 to five.

Lady Maribel Turner, assistant general secretary, is due to retire in September, as is Mr Stan Davidson, the union's deputy general secretary.

The substantial majority rejected in the executive vote underscores strong feeling within ASTMS that the union should have a top team of national officers in place before merger plans with Tass reach an advanced stage.

Both unions have exchanged preliminary papers concerning merger, and these are expected to be fleshed out early next month at a joint meeting of the ASTMS and Tass executive committees.

A merged union would create the largest white-collar grouping in the TUC and its sixth largest affiliate, on present membership.

ASTMS claims 390,000 members and Tass more than 250,000. The unions both organise in engineering among white-collar staff.

Under preliminary draft proposals, Mr Clive Jenkins, general secretary of ASTMS, and Mr Ken Gill, the Tass general secretary, would lead a merged union in tandem.

NOTICE TO THE HOLDERS OF

Bank Handlowy W. Warsawie S.A.

KD 3,600,000 FLOATING RATE NOTES DUE 1987

In accordance with terms and conditions of the Notes, the Interest Rate for the period from 15th October 1986 to 15th April 1987 (182 days) has been fixed at 8½ per cent.

Interest for the period will be paid on 15th April 1987 at KD 43.942 per Coupon.

by
Kuwait International Investment Co. s.a.k.
(Agent)

NGA pursues case against electricians

By Helen Hague

THE National Graphical Association has made a formal request to address the TUC's finance and general purposes committee on Monday—when the Congress decision on the role of the electricians union EETPU in the Wapping dispute will be discussed.

Congress voted to censure the general council for not instructing the EETPU to direct its members to stop doing printworkers' jobs at the News International plant.

Mr Norman Willis, TUC general secretary, and Mr Fred Jarvis, TUC president, will decide whether to grant the NGA its request.

As the Sogat '82 executive is scheduled to meet on Monday to discuss future strategy in the dispute, a full debate is not expected to take place until a further meeting.

The EETPU has argued previously that an instruction to its members inside the plant to cease work and respect sacked printworkers' picket lines would be unlawful.

Supermarket workers vote in dispute over grading

BY CHARLES LEADBEATER, LABOUR STAFF

WORKERS at Wellworths, Northern Ireland's second largest supermarket chain, are being balloted on whether to end a dispute over job regrading.

Usdaw, the shopworkers' union, says the issue has provoked the first big supermarket strike since the 1950s.

More than 1,300 Usdaw members are voting by post, the first time the union has used a postal ballot in a strike.

The workers—mainly women—are deciding whether to take further strike action or to accept an agreement negotiated between union officials and the company.

Last week, workers walked out of 13 Wellworths' 24 supermarkets because some had their pay cut after their jobs were reclassified. The company carried out the regrading without consulting Usdaw or the workers.

Wellworths, a subsidiary of the Dees Corporation, which also owns Fine Fare and International Stores, has agreed to spread the introduction of the grade structure over several months to ensure no worker suffers a sudden drop in earnings.

The company and the unions have established a joint consultative committee to oversee the regrading.

The result of the vote will not be known until the middle of next week, when Usdaw also expects the results of a strike ballot among staff employed at Quicksave's 300 British supermarkets.

Power strike talks held

By Our Labour Staff

NORTHERN Ireland Electricity and the power workers' trade unions held lengthy talks yesterday aimed at settling the dispute at the province's largest power station, at Ballylumford, which has caused widespread power cuts since Tuesday.

Several hundred workers at Belfast West power station were writing for the talk's outcome before deciding whether to strike in support of the 350 strikers at Ballylumford, which supplies two thirds of Northern Ireland's electricity.

GILT & FIXED INTEREST GROWTH

WHITTINGDALE

FIRST

1, 3, 6 MONTHS 1, 2, 3 YEARS

A continuing success—that's the story of The Whittingdale Short-Dated Gilt Fund.

In November Money Management will show, that on the Fund's 3rd Anniversary, Whittingdale is the top performer among Unit Trusts in this sector over one, three and six months, and over one, two and three years.*

As Money Management's Peter Fuller said: "Whittingdale can quite indisputably call themselves the best current performer among all Gilt Growth Unit Trusts."

These days, private investors should be taking full advantage of highly volatile Gilt prices by actively switching in and out of the market instead of holding a Gilt to redemption.

After Big Bang, however, it will become even more expensive for a private investor to actively deal in the Gilt market in competition with institutional Gilt fund managers.

For full details of Whittingdale's performance and how a 60% taxpayer could have earned a net return of 16% in the year to 1st October, please complete and send the coupon. Today.

Whittingdale Limited, 2 Honey Lane, London EC2V 8BT. Tel: 01-606 3132.

TO: Whittingdale Ltd, FREEPOST, London EC2V 2HD. Please rush me details of The Whittingdale Short-Dated Gilt Fund. FT 18/10

Name _____

Address _____

Tel. No. _____

I currently hold direct investments in the Gilt market

*Source: Money Management, Status Pack, November 1986.

WHITTINGDALE
£1 BILLION UNDER MANAGEMENT

Which Financial Times Diary will you choose for 1987?

To match your taste—and budget—there's a choice of cover bindings for your FT Diary.

If you want the ultimate in quality and craftsmanship there's our top-of-the-range Chairman's Set, handmade from the finest hides, dyed to a rich brown. Produced as a limited edition, The Chairman's Set includes a matching pocket diary and comes in its own presentation box with a numbered certificate.

Or, you can choose to have your FT Diary bound in Rich Black Leather, Burgundy Bonded Leather or Black Leathercloth.

But the finish is just the beginning. You'll quickly discover that your FT Diary is the most practical, not to mention prestigious, aid to business efficiency. No other diary is so comprehensive, so well researched, so meticulously updated—of greater practical benefit to the business community.

Then there's the FT Pocket Diary, expanded for 1987 including profiles of 26 international business centres, maps, lists of hotels and conference centres, restaurants, theatres and airports. In short, more information than ever before. And, if you want to stay ahead of the field, our new FT "Pink" Pocket Diary with its FT pink pages and unique landscape format, promises to be the most sought after pocket diary of the year.

Of course, all FT diaries and wallets are available in matching finishes and can be personalised in gold with your name and initials.

Here's one last thought. FT Diaries make the perfect corporate gift. You can have your clients' initials gold-blocked on the cover, or your company logo, or both. We can even make a "Special Edition" FT Diary with up to eight pages about your company bound in. And there are substantial discounts for orders over 25 items. It all adds up to the best possible business gift to benefit your clients—and your company.

Telephone Celia Parkes on 01-823 1211 for information about the FT Diaries and other business gifts available from the Financial Times or use the coupon below.

FINANCIAL TIMES Diaries

FT Business Information Ltd, Minster House, Arthur Street, London EC4R 6AX

Please send me further information about:

FT Diaries

FT City Collection of exclusive leather luggage and business accessories

FT Factmaster personal organiser/time management system

Name: _____

Company: _____

Address: _____

Postcode: _____

Position: _____

Telephone: _____

بازار اکتوبر

Company Notices

APPOINTMENTS

Expansion for Drexel Burnham

DREXEL BURNHAM LAMBERT INC. has made three appointments to its international equities department in London. Mr. James G. McCormick joins as vice president in charge of institutional sales and sales training from Arnold & Sons Bleichroeder, the specialist international research firm. At Drexel Burnham he joins Mr. Richard Kyle, head of trading and risk capital, as a co-manager of the firm's London international equities operations. Mr. Reginald Dupresnoy joins the group as vice president. He was formerly an international securities analyst with Arnold & Sons Bleichroeder. Miss Elaine Sternberg will also join as vice president to further develop Drexel Burnham's capabilities in international new issues. Miss Sternberg comes from County Securities where she was head of new issues and syndicate for international equities.

Mr. Stephen L. Finch, deputy chairman of Noble & Lund, has been appointed a director of **WILLIAM COOK & SONS (SHEFFIELD)**. He was formerly deputy chairman of Weir Group and chairman of Weir Foundries.

PAUL STEIGER has made the following board changes: Mr. Reg Pearson, sales director, and Mr. Chris Bane, production director, have been appointed joint managing directors. Mr. Les Bingham joins the board as production director and Mr. Ian Dunn as sales director. Mr. Peter Smith is relinquishing his responsibilities as managing director to devote more time to his role as managing director of the Monarch Investment Group, of which Paul Steiger forms part of the textile division.

Mr. R. K. Duncan has been appointed a director of **CONCRETE TRUST MANAGERS** responsible for business development and sales. He joined as sales manager in February 1985 from the Leicester Building Society.

Mr. David Dale is joining **CHARLES BARKER CITY** as an associate director to specialise in financial and corporate public relations. He was an assistant director at Samuel Montagu, the merchant banking arm of the Midland Bank, responsible for corporate communications.

Heathrow finance director

Ms. Katherine Howard has been appointed to the newly created position of director of finance for **HEATHROW AIRPORT** from Royal Bank. Ms. Howard is currently assistant chief accountant for J. Sainsbury and has held senior finance positions with Rolls-Royce, MacFishes and Unilever.

Mr. Steve Jones has been appointed director of **CRUMBIE EUSTACE**. He was previously buying controller at Argyll Stores.

Mr. Nicholas B. Carter has been appointed a director of **NELSON TOLBERT & MARSH (HOLDINGS)**. He has been managing director of Nelson Hurst & Marsh Ltd, one of the group's listed subsidiaries, since January 1984.

Mr. Ian McDonald, formerly the deputy industrial director, has been appointed a director of the **NATIONAL ECONOMIC DEVELOPMENT OFFICE** and head of its industry division. Mr. Bryan Gulliver, formerly the industrial director, becomes a joint non-executive director; he will have special responsibility for securing the involvement of industry in important NEDO initiatives.

MONTAGU LOEBL STANLEY, the private client stockbroker, has made two appointments at its new branch in Edinburgh, the first regional office established by the London-based firm. Mr. Jim Bruce, former director of the international banking subsidiary of the Fuji Bank Japan, was previously with the Eagle Star Group as senior fund manager responsible for fixed interest markets.

Mr. J. N. Hay will be resigning as finance director of **HIGGS & HUTCHINSON** on December 31 and will thereafter remain as a consultant. Mr. J. A. Theakston will become finance director on January 1. He will retain responsibility for corporate development.

Mr. Richard Bonny has been appointed chief production engineer, petroleum production department, at **BRITISH GAS**

headquarters. He will have overall responsibility for gas production and injection for the Morcambe and Rough fields, owned and operated by British Gas.

GUINNESS MAHON HOLDINGS has appointed Mr. Stephen E. Hill managing director of Guinness Malting Development Capital. He was previously with Control Data.



Mr John Hastings-Bass managing director of Jardine Group Insurance Services

On November 1, Mr. John Hastings-Bass is appointed managing director of **JARDINE GROUP INSURANCE SERVICES**. Mr. Martin Wakeley, managing director of Jardine Glenwill (UK), will become chairman. Mr. Hastings-Bass was Jardine's representative in Peking.

C. P. ROBERTS has made changes to his senior management team. Mr. Paul Gillham has been appointed group chairman in order to allow Mr. John Roberts to assume additional responsibility in his work as managing director and group chief executive. Mr. Roberts will now have direct responsibility for Hammond Roberts Construction, the recently acquired group subsidiary, while Mr. George Hammond will take on a central sales development role. Mr. Neil Blake has been appointed finance director. Mr. Malcolm Noble-Forbes has been promoted to managing director of C. P. Roberts Special Works with Mr. Les Chesson as finance director. Mr. Neil Blake has been appointed finance director of the Amphill-based construction subsidiary, Hill Roberts.

Mr. Eddie Addison has been elected chairman of the **COUNCIL OF MECHANICAL & METAL TRADE ASSOCIATIONS**. He has been a member of council since 1984.

Mr. Peter Scott, previously financial director of **FEEL HOLDINGS**, has been appointed managing director. Mr. Herman Jungmayr has been appointed a director while remaining general manager of Bridgewater Estates and Bridgewater Farm.

Mr. Brian Richmond, former group managing director of Debenhams, has joined **BENDY TOYS** as joint managing director. Mr. Charles Newfield, who founded the company, becomes chairman, and Mr. Anthony Newfield joins managing director.

Mr. Doug Crowthier has been appointed financial director of **FERRYMASTERS**. He joined Ferrymasters, the largest membership of P. & O. European transport services group, in February.

THE MUNICIPAL INSURANCE GROUP has appointed Mr. Gerald J. Lowthian its deputy general manager. He was previously an assistant general manager.

Mr. Bryan Turner has been appointed president of **EUROPEAN INTERACTIVE MEDIA (EIM)**, a newly-launched joint venture by Philips and PolyGram to develop software for the new Compact Disc Interactive (CD-I) system. He was director of creative development in Europe for Activision Inc and a director of Thorn EMI Video.

Mr. Gerard Witherly has been made an associate director in the portfolio management division of **FUJII INTERNATIONAL FINANCE**, the international banking subsidiary of the Fuji Bank Japan. He was previously with the Eagle Star Group as senior fund manager responsible for fixed interest markets.

Mr. J. N. Hay will be resigning as finance director of **HIGGS & HUTCHINSON** on December 31 and will thereafter remain as a consultant. Mr. J. A. Theakston will become finance director on January 1. He will retain responsibility for corporate development.

BASE LENDING RATES

12 Months		18 Months		24 Months	
Bank	Rate	Bank	Rate	Bank	Rate
ABN AMRO	11.50	Commerzbank	11.00	HSBC	11.00
Adams & Company	11.00	CRIB	11.00	Ind. Credit Corp. Ltd.	11.00
Affiliated Bank Ltd.	11.00	City Montagu Bank	11.00	Int. Ct. of North.	11.00
Affiliated Co. Ltd.	11.00	Chorley Bank	11.00	National City Bank	11.00
Alfred Irish Bank	11.00	Crus. Bk. N. East	11.00	Nat. Westminster	11.00
Anglo Siam Bank	11.00	Canalbank Credit	11.00	Northam Bank Ltd.	11.00
American Exp. Bk.	11.00	Co-operative Bank	11.00	Norwich Cit. Trust	11.00
Bank of America	11.00	Cayan People's Bk.	11.00	PS Finance Int'l Ltd.	11.00
Bank of Australia	11.00	Equitic Bank	11.00	Prudential Trust Ltd.	11.00
Bank of Canada	11.00	E.T. Trust	11.00	Royal Bank of Canada	11.00
Bank of India	11.00	Equitic Trust Ltd.	11.00	Royal Bank of Scotland	11.00
Bank of Japan	11.00	Equitic Trust Ltd.	11.00	Royal Bank of S. Wales	11.00
Bank of London	11.00	Equitic Trust Ltd.	11.00	Safeway Bank Ltd.	11.00
Bank of Montreal	11.00	Equitic Trust Ltd.	11.00	Standard Chartered	11.00
Bank of New York	11.00	Equitic Trust Ltd.	11.00	Trustee Savings Bank	11.00
Bank of Pacific	11.00	Equitic Trust Ltd.	11.00	U.S. Bank of N.Y.	11.00
Bank of Queensland	11.00	Equitic Trust Ltd.	11.00	U.S. Bank of N.Y. & Puerto Rico	11.00
Bank of Scotland	11.00	Equitic Trust Ltd.	11.00	U.S. Bank of N.Y. & London	11.00
Bank of Soerenga	11.00	Equitic Trust Ltd.	11.00	U.S. Bank of N.Y. & France	11.00
Bank of Taiwan	11.00	Equitic Trust Ltd.	11.00	U.S. Bank of N.Y. & Hong Kong	11.00
Bank of Victoria	11.00	Equitic Trust Ltd.	11.00	U.S. Bank of N.Y. & Tokyo	11.00
Bank of Wales	11.00	Equitic Trust Ltd.	11.00	U.S. Bank of N.Y. & London & Tokyo	11.00
Bank of West Indies	11.00	Equitic Trust Ltd.	11.00	U.S. Bank of N.Y. & London & Mexico	11.00
Bank of Zambia	11.00	Equitic Trust Ltd.	11.00	U.S. Bank of N.Y. & London & S.W. Africa	11.00
Bank of the West	11.00	Equitic Trust Ltd.	11.00	U.S. Bank of N.Y. & London & S.W. Africa & Hong Kong	11.00
Bank of the West	11.00	Equitic Trust Ltd.	11.00	U.S. Bank of N.Y. & London & S.W. Africa & Hong Kong & Mexico	11.00
Bank of the West	11.00	Equitic Trust Ltd.	11.00	U.S. Bank of N.Y. & London & S.W. Africa & Hong Kong & Mexico & Tokyo	11.00
Bank of the West	11.00	Equitic Trust Ltd.	11.00	U.S. Bank of N.Y. & London & S.W. Africa & Hong Kong & Mexico & Tokyo & Europe	11.00

SOCIETE NATIONALE ELF AQUITAINE

(Incorporated with limited liability as a société anonyme under French Law)
(the "Company")

NOTICE OF ADJOURNED MEETING

of the holders of the outstanding U.S.\$150,000,000 12 per cent Bonds due 15th November, 1990 of the Company

(the "Bondholders" and the "Notes" respectively)

NOTICE IS HEREBY GIVEN that the Meeting of the Bondholders convened by the Company for 15th October, 1986 by the Notice dated 19th September, 1985 published in the Financial Times and in the Luxembourg Wot was adjourned through lack of a quorum and that the adjourned Meeting of the Bondholders will be held at Knightsbridge House, 197 Knightsbridge, London SW7 1RZ, on Wednesday, 29th October, 1986, at 10.00 a.m. (London time) for the purpose of considering and, if thought fit, passing the following Resolution which will be proposed as an Extraordinary Resolution in accordance with the provisions of the Trust Deed dated 15th March, 1985 made between the Company and The Law Debenture Corporation p.l.c. (the "Trustee") constituting the Bonds:

EXTRAORDINARY RESOLUTION

THAT, subject to the Extraordinary Resolutions set out in the Notices dated 19th September, 1985 convening the respective Meetings of the holders of the outstanding U.S.\$100,000,000 10 1/2 per cent Notes due 15th March, 1989 and ECU 75,000,000 8 1/2 per cent Notes due 15th December, 1988 of Société Nationale Elf Aquitaine (the "Company") for 15th October, 1986, being duly passed at such Meetings or, if applicable, any adjourned such Meetings and subject to the amendment to the conditions of the Emprunt Obligataire FRF150,000,000 9 1/2% 1978-1988 of the Company set out in the Notice published in the Financial Times in London on 10th September, 1986 convening the Meeting of the holders thereof for 19th September, 1986 being duly approved by such holders at such Meeting or, if applicable, any adjourned such Meeting, this Meeting of the holders of the outstanding U.S.\$150,000,000 12 per cent Bonds due 15th November, 1990 of the Company (the "Bonds") constituted by the Trust Deed dated 10th November, 1982 (the "Trust Deed") made between the Company and The Law Debenture Corporation p.l.c. (the "Trustee") as trustee for the holders of the Bonds (the "Bondholders") hereby:

- (1) assents to the modification of the Terms and Conditions of the Bonds as printed on the reverse thereof and in the First Schedule to the Trust Deed by the deletion of Condition (9)(ii) thereof;
- (2) sanctions every abrogation, modification, compromise or arrangement in respect of the rights of the Bondholders and the holders of the coupons appertaining thereto against the Company involved in or resulting from the modification referred to in paragraph (1) of this Resolution; and
- (3) authorises and requests the Trustee to concur in the modification referred to in paragraph (1) of this Resolution and, in order to give effect thereto, forthwith to execute a Supplemental Trust Deed in the form of the draft produced to this Meeting and for the purposes of identification signed by the Chairman thereof with such amendments (if any) thereto as the Trustee shall require.

The Meeting of the holders of the Notes and of the Emprunt Obligataire of the Company referred to above were all adjourned, through lack of quorum, to 29th October, 1986, in the case of the Notes, and 24th October, 1986, in the case of the Emprunt Obligataire.

Full details of the background to, and the reasons for, the proposed modification and the Extraordinary Resolution are contained in an Explanatory Statement prepared by the Company dated 19th September, 1986, copies of which are available for collection by Bondholders at the specified offices of the Paying Agents set out below.

The attention of Bondholders is particularly drawn to the quorum required for the adjourned Meeting which is set out in paragraph 3 below.

Copies of the Trust Deed constituting the Bonds and of certain other relevant documents are available for inspection by Bondholders at the specified offices of the Paying Agents set out below.

VOTING AND QUORUM

1. A Bondholder wishing to attend and vote at the adjourned Meeting in person must produce at such Meeting either the Bond(s), or a valid voting certificate or valid voting certificates issued by a Paying Agent relative to the Bond(s), in respect of which he wishes to vote.
A Bondholder not wishing to attend and vote at such Meeting in person may either deliver his Bond(s) or voting certificate(s) to the person whom he wishes to attend on his behalf or give a voting instruction (on a voting instruction form obtainable from the specified offices of the Paying Agents set out below) instructing a Paying Agent to appoint a proxy to attend and vote at the adjourned Meeting in accordance with his instructions.
Notes may be deposited with any Paying Agent or (to the satisfaction of such Paying Agent) held to its order by CEDEL S.A. or Euro-clear for the purpose of obtaining voting certificates or, until the time being 48 hours before the time appointed for holding the adjourned Meeting (or, if applicable, any further adjourned such Meeting), but not thereafter, giving voting instructions in respect of the relative Meeting. Notes so deposited or held will be released at the conclusion of such Meeting (or, if applicable, any further adjourned such Meeting) or upon surrender of the voting certificate(s) or, not less than 48 hours before the time for which such Meeting (or, if applicable, any further adjourned such Meeting) is convened, the voting instruction receipt(s) issued in respect thereof.
2. Voting certificates issued and voting instructions given and the appointment of proxies made pursuant thereto for the Meeting convened for 15th October, 1986 will be valid for the adjourned Meeting unless, in the case of voting certificates, they are surrendered before, or, in the case of voting instructions, revoked or amended not less than 48 hours before, the time for which such Meeting is convened.
3. The quorum required at the adjourned Meeting is two or more persons present holding Bonds or voting certificates or being proxies whatever the principal amount of the Bonds so held or represented by them.
4. Every question submitted to the adjourned Meeting will be decided on a show of hands unless a poll is duly demanded by the Chairman of the Meeting or the Company or by two or more persons present holding Bonds or voting certificates or being proxies and holding or representing in the aggregate not less than one-fifth part of the principal amount of the Bonds who is present in person and produces a Bond or voting certificate or is a proxy shall have one vote. On a poll every person who is so present shall have one vote in respect of each U.S.\$1,000 in principal amount of the Bond(s) so produced or represented by the voting certificate so produced or in respect of which he is a proxy.
5. To be passed the Extraordinary Resolution requires a majority in favour consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is duly demanded then by a majority consisting of not less than three-fourths of the votes given on such poll. If passed, the Extraordinary Resolution will be binding upon all the holders, whether or not present at the adjourned Meeting and whether or not voting, and upon all holders of coupons appertaining to the Bonds.

PRINCIPAL PAYING AGENT

Deutsche Bank Aktiengesellschaft,
Tauxsanlage 12,
D-6000 Frankfurt am Main 1.

OTHER PAYING AGENTS

- | | |
|--|--|
| Banque Nationale de Paris,
20 bd. des Italiens,
F-75009 Paris. | County Bank Limited,
11 Old Broad Street,
London EC2N 1BB. |
| Credit Suisse
Paradeplatz 8,
CH-8001 Zurich. | Union Bank of Switzerland,
Bahnhofstrasse 45,
CH-8001 Zurich. |
| European American Bank & Trust Company,
10 Hanover Square,
New York, N.Y. 10015. | Banque Générale du Luxembourg
S.A.,
14 rue Aldringen,
Luxembourg. |
| Amsterdam-Rotterdam Bank N.V.,
P.O. Box 283,
Szaalmeesterlaan 410,
NL-1000 Amsterdam. | |
- Dated 18th October, 1986.
- SOCIETE NATIONALE ELF AQUITAINE**
Registered Office:
Place de la Coupole,
Tour Elf,
La Défense 6
92400 Courbevoie
France.

SOCIETE NATIONALE ELF AQUITAINE

(Incorporated with limited liability as a société anonyme under French Law)
(the "Company")

NOTICE OF ADJOURNED MEETING

of the holders of the outstanding U.S.\$100,000,000 10 1/2 per cent Notes due 15th March, 1989 of the Company

(the "Noteholders" and the "Notes" respectively)

NOTICE IS HEREBY GIVEN that the Meeting of the Noteholders convened by the Company for 15th October, 1986 by the Notice dated 19th September, 1985 published in the Financial Times and in the Luxembourg Wot was adjourned through lack of a quorum and that the adjourned Meeting of the Noteholders will be held at Knightsbridge House, 197 Knightsbridge, London SW7 1RZ, on Wednesday, 29th October, 1986 at 10.05 a.m. (London time) (or so soon thereafter as the adjourned Meeting of the holders of the outstanding U.S.\$150,000,000 12 per cent Bonds due 19th November, 1990 of the Company, convened for the same day and place, shall have concluded or been further adjourned) for the purpose of considering and, if thought fit, passing the following Resolution which will be proposed as an Extraordinary Resolution in accordance with the provisions of the Trust Deed dated 15th March, 1985 made between the Company and The Law Debenture Trust Corporation p.l.c. (the "Trustee") constituting the Notes:

EXTRAORDINARY RESOLUTION

THAT, subject to the Extraordinary Resolutions set out in the Notices dated 19th September, 1985 convening the respective Meetings of the holders of the outstanding U.S.\$150,000,000 12 per cent Bonds due 15th November, 1990 and ECU 75,000,000 8 1/2 per cent Notes due 15th December, 1988 of Société Nationale Elf Aquitaine (the "Company") for 15th October, 1986 being duly passed at such Meetings or, if applicable, any adjourned such Meetings and subject to the amendment to the conditions of the Emprunt Obligataire FRF 150,000,000 9 1/2% 1978-1988 of the Company set out in the Notice published in the Financial Times in London on 10th September, 1986 convening the Meeting of the holders thereof for 19th September, 1986 being duly approved by such holders at such Meeting or, if applicable, any adjourned such Meeting, this Meeting of the holders of the outstanding U.S.\$100,000,000 10 1/2 per cent Notes due 15th March, 1989 of the Company (the "Notes") constituted by the Trust Deed dated 15th March, 1985 (the "Trust Deed") made between the Company and The Law Debenture Trust Corporation p.l.c. (the "Trustee") as trustee for the holders of the Notes (the "Noteholders") hereby:

- (1) assents to the modification of the Terms and Conditions of the Notes as printed on the reverse thereof and in the First Schedule to the Trust Deed by the deletion of Condition (9)(ii) thereof;
- (2) sanctions every abrogation, modification, compromise or arrangement in respect of the rights of the Noteholders and the holders of the coupons appertaining thereto against the Company involved in or resulting from the modification referred to in paragraph (1) of this Resolution; and
- (3) authorises and requests the Trustee to concur in the modification referred to in paragraph (1) of this Resolution and, in order to give effect thereto, forthwith to execute a Supplemental Trust Deed in the form of the draft produced to this Meeting and for the purposes of identification signed by the Chairman thereof with such amendments (if any) thereto as the Trustee shall require.

The Meetings of the holders of the other Notes and Bonds and of the Emprunt Obligataire of the Company referred to above were all adjourned, through lack of quorum, to 29th October, 1986, in the case of the other Notes and Bonds, and 24th October, 1986, in the case of the Emprunt Obligataire.

Full details of the background to, and the reasons for, the proposed modification and the Extraordinary Resolution are contained in an Explanatory Statement prepared by the Company dated 19th September, 1986, copies of which are available for collection by Noteholders at the specified offices of the Paying Agents set out below.

The attention of Noteholders is particularly drawn to the quorum required for the adjourned Meeting which is set out in paragraph 3 below.

Copies of the Trust Deed constituting the Notes and of certain other relevant documents are available for inspection by Noteholders at the specified offices of the Paying Agents set out below.

VOTING AND QUORUM

1. A Noteholder wishing to attend and vote at the adjourned Meeting in person must produce at such Meeting either the Note(s), or a valid voting certificate or valid voting certificates issued by a Paying Agent relative to the Note(s), in respect of which he wishes to vote.
A Noteholder not wishing to attend and vote at such Meeting in person may either deliver his Note(s) or voting certificate(s) to the person whom he wishes to attend on his behalf or give a voting instruction (on a voting instruction form obtainable from the specified offices of the Paying Agents set out below) instructing a Paying Agent to appoint a proxy to attend and vote at the adjourned Meeting in accordance with his instructions.
Notes may be deposited with any Paying Agent or (to the satisfaction of such Paying Agent) held to its order by CEDEL S.A. or Euro-clear for the purpose of obtaining voting certificates or, until the time being 48 hours before the time appointed for holding the adjourned Meeting (or, if applicable, any further adjourned such Meeting), but not thereafter, giving voting instructions in respect of the relative Meeting. Notes so deposited or held will be released at the conclusion of such Meeting (or, if applicable, any further adjourned such Meeting) or upon surrender of the voting certificate(s) or, not less than 48 hours before the time for which such Meeting (or, if applicable, any further adjourned such Meeting) is convened, the voting instruction receipt(s) issued in respect thereof.
2. Voting certificates issued and voting instructions given and the appointment of proxies made pursuant thereto for the Meeting convened for 15th October, 1986 will be valid for the adjourned Meeting unless, in the case of voting certificates, they are surrendered before, or, in the case of voting instructions, revoked or amended not less than 48 hours before, the time for which such Meeting is convened.
3. The quorum required at the adjourned Meeting is two or more persons present holding Notes or voting certificates or being proxies whatever the principal amount of the Notes so held or represented by them.
4. Every question submitted to the adjourned Meeting will be decided on a show of hands unless a poll is duly demanded by the Chairman of the Meeting or the Company or by two or more persons present holding Notes or voting certificates or being proxies and holding or representing in the aggregate not less than one-fifth part of the principal amount of the Notes then outstanding. On a show of hands every person who is present in person and produces a Note or voting certificate or is a proxy shall have one vote. On a poll every person who is so present shall have one vote in respect of each Note so produced or represented by the voting certificate so produced or in respect of which he is a proxy.
5. To be passed the Extraordinary Resolution requires a majority in favour consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is duly demanded then by a majority consisting of not less than three-fourths of the votes given on such poll. If passed, the Extraordinary Resolution will be binding upon all the Noteholders, whether or not present at the adjourned Meeting and whether or not voting, and upon all holders of coupons appertaining to the Notes.

PRINCIPAL PAYING AGENT

Société Générale Alsacienne de Banque
Luxembourg Branch,
15 avenue Emile Reuter,
1021 Luxembourg.

OTHER PAYING AGENTS

- | | |
|--|---|
| Société Générale Alsacienne de Banque
Brussels Branch,
rue Royale 72, B-1000 Brussels. | Société Générale
60 Gracechurch Street,
London EC3V 0HD |
| Société Générale
Union Bank of Switzerland
Bahnhofstrasse 45,
CH-8001 Zurich | |
- Dated 18th October, 1986.
- SOCIETE NATIONALE ELF AQUITAINE**
Registered Office:
Place de la Coupole,
Tour Elf,
La Défense 6
92400 Courbevoie
France.

SOCIETE NATIONALE ELF AQUITAINE

(Incorporated with limited liability as a société anonyme under French Law)
(the "Company")

NOTICE OF ADJOURNED MEETING

of the holders of the outstanding ECU75,000,000 8 1/2 per cent Notes due 15th December, 1988 of the Company

(the "Noteholders" and the "Notes" respectively)

NOTICE IS HEREBY GIVEN that the Meeting of the Noteholders convened by the Company for 15th October, 1986 by the Notice dated 19th September, 1985 published in the Financial Times and in the Luxembourg Wot was adjourned through lack of a quorum and that the adjourned Meeting of the Noteholders will be held at Knightsbridge House, 197 Knightsbridge, London SW7 1RZ, on Wednesday, 29th October, 1986 at 10.10 a.m. (London time) (or so soon thereafter as the adjourned Meeting of the holders of the outstanding U.S.\$150,000,000 12 per cent Bonds due 15th March, 1989 of the Company, convened for the same day and place, shall have concluded or been further adjourned) for the purpose of considering and, if thought fit, passing the following Resolution which will be proposed as an Extraordinary Resolution in accordance with the provisions of the Trust Deed dated 30th September, 1985 (the "Trust Deed") made between the Company and The Law Debenture Trust Corporation p.l.c. (the "Trustee") constituting the Notes:

EXTRAORDINARY RESOLUTION

THAT, subject to the Extraordinary Resolutions set out in the Notices dated 19th September, 1985 convening the respective Meetings of the holders of the outstanding U.S.\$150,000,000 12 per cent Bonds due 15th November, 1990 and U.S.\$100,000,000 10 1/2 per cent Notes due 15th March, 1989 of Société Nationale Elf Aquitaine (the "Company") for 15th October, 1986 being duly passed at such Meetings or, if applicable, any adjourned such Meetings and subject to the amendment to the conditions of the Emprunt Obligataire FRF150,000,000 9 1/2% 1978-1988 of the Company set out in the Notice published in the Financial Times in London on 10th September, 1986 convening the Meeting of the holders thereof for 19th September, 1986 being duly approved by such holders at such Meetings or, if applicable, any adjourned such Meeting, this Meeting of the holders of the outstanding ECU 75,000,000 8 1/2 per cent Notes due 15th December, 1988 of the Company (the "Notes") constituted by the Trust Deed dated 30th September, 1985 (the "Trust Deed") made between the Company and The Law Debenture Trust Corporation p.l.c. (the "Trustee") as trustee for the holders of the Notes (the "Noteholders") hereby:

- (1) assents to the modification of the Terms and Conditions of the Notes as printed on the reverse thereof and in the First Schedule to the Trust Deed by the deletion of Condition (11)(i) thereof;
- (2) sanctions every abrogation, modification, compromise or arrangement in respect of the rights of the Noteholders and the holders of the coupons appertaining thereto against the Company involved in or resulting from the modification referred to in paragraph (1) of this Resolution; and
- (3) authorises and requests the Trustee to concur in the modification referred to in paragraph (1) of this Resolution and, in order to give effect thereto, forthwith to execute a Supplemental Trust Deed in the form of the draft produced to this Meeting and for the purposes of identification signed by the Chairman thereof with such amendments (if any) thereto as the Trustee shall require.

The Meetings of the holders of the other Notes and Bonds and of the Emprunt Obligataire of the Company referred to above were all adjourned, through lack of quorum, to 29th October, 1986, in the case of the other Notes and Bonds, and 24th October, 1986, in the case of the Emprunt Obligataire.

Full details of the background to, and the reasons for, the proposed modification and the Extraordinary Resolution are contained in an Explanatory Statement prepared by the Company dated 19th September, 1986, copies of which are available for collection by Noteholders at the specified offices of the Paying Agents set out below.

The attention of Noteholders is particularly drawn to the quorum required for the adjourned Meeting which is set out in paragraph 3 below.

C

Too close a horizon

AN OBSESSION with the short term is, according to the Chancellor, Mr Nigel Lawson, in his Mansion House speech on Thursday, the British national ailment. What his audience made of the assertion we do not know. But many industrialists would not dissent when Mr Lawson attributes to them the belief that the disease is to be found in its most virulent form in the City of London.

Mr Lawson could be forgiven for feeling a little sore himself. Having given the initial appearance of wanting to face it out with the markets as sterling began its uneasy descent at the time of the Group of Five and International Monetary Fund meetings in Washington, he has ended up with a concession that the markets have found altogether grudging: a one point rise in interest rates this week did nothing to arrest sterling's slide against the D-mark. Nor did the Mansion House speech's message of no change in monetary policy do anything to reassure them.

Mr Lawson's apology is that it would have been foolish to move in the fevered market atmosphere of the fortnight that followed the Washington meeting. Sterling has, however, been signalling some easing in monetary conditions. While it was sensible to allow the exchange rate to fall in the aftermath of the huge drop in the price of oil, there were limits to the desirable extent of the slide. That point Mr Lawson has now reached. Short term interest rates have been raised to the level necessary to produce monetary conditions that restrain inflation.

Growth slowing

The trouble with all this from the point of view of the underlying real economy are less than reassuring. The annual rate of growth in annual earnings remains at an obdurate 7.1 per cent, while productivity growth is slowing. The recent balance of payments figures were almost certainly freakish, but there is no escaping the fact that the going will be tougher from here on. Yesterday saw the rate of inflation back on an upward path; in itself this is probably less worrying for the Chancellor than the fact that the Government's earlier success in reducing inflation looks less impressive by the month as other countries like France have leaptfrogged Britain on the way down.

There is also a more fundamental fear in the City that the "retreat" from money supply targets and from the funding of the public sector borrowing requirement has left British monetary policy far too dependent on the Chancellor's judgment.

ment of monetary conditions and market tactics. Markets detect the short term disease in Whitehall. Some, too, claim that the authorities' intervention in support of sterling could have been better handled.

Whatever the rights or wrongs of the allegation, problems over intervention in the exchange markets are no monopoly of the Bank of England. This week's moves by European central banks to prevent the dollar from sliding further flew in the face of the cardinal rules of the game: always lean with the markets. Here, too, the short term disease is at work, since currency intervention has become a displacement activity for governments and central banks that cannot think what to do about the wider imbalances in the world economy.

Cardinal rules

One of the key imbalances is the US budget deficit. And on a very long term view the collapse of talks between President Reagan and Mr Gorbachev in Reykjavik has dispiriting economic implications. Arms control holds out the hope of more manageable fiscal deficits; and in the absence of agreement two of the world's largest economies (and some smaller ones that are drawn into the Star Wars programme) will see a less efficient allocation of resources because of the distortions that arise from heavy military spending.

In the shorter run the news that the US Congress is ignoring the deficit reduction targets laid down in the Gramm-Rudman-Hollings legislation raises doubts about the willingness of the world's biggest debtor country to put its house in order.

These imbalances help explain why financial markets are so volatile. But their short term obsession also reflects a loss of order in the monetary system. Since the US suspended gold convertibility in the early 1970s, currencies have been anchorless and markets more fragile. They are bound to remain so until the industrialised countries can find a common interest in stabilising the system.

There is not that much that a British government can do about this—though Mr Karl Otto Pohl of the Bundesbank will no doubt be telling Mrs Thatcher on Monday that membership of the European Monetary System provides a haven of stability in an otherwise uncertain world. But it will do no harm for City financiers, in the week before the Big Bang, to heed Mr Lawson's warning that bad blood between industry and finance bodes no good for the economy.

A concerto for percussion and purse strings

By Antony Thorncroft

THE FOUR major London orchestras—the London Philharmonic, the Royal Philharmonic, the Philharmonia and the London Symphony—have started their new season of concerts on a flat note. Attendances have been disappointing, even for programmes containing works by "popular" composers like Beethoven and Mahler.

Such inexplicable bad patches are not uncommon and the orchestras have had many opportunities in recent years to learn how to cope with financial setbacks. More irritating for them has been the recent statement by Sir William Rees-Mogg, chairman of the Arts Council and consequently their leading single paymaster, that he believes the City of Birmingham Symphony Orchestra, under its charismatic conductor Simon Rattle, to be the best in the UK.

The London orchestras feel unappreciated in their own country. On their many sponsored trips abroad they are feted and acclaimed and likened to the great international orchestras of Chicago and Berlin. Their presence in London makes the city the musical centre of the world, with an unparalleled offering both in quality and quantity. But the very existence of four orchestras (no other city apart from Vienna can boast more than one), all of roughly the same standard, irritates the musical establishment. It years for one super-orchestra, commanding the talents of the best musicians in the country.

The London orchestras have been very reluctant to die. Plans by the Arts Council to use its financial weight lavishly to subsidise one at the expense of the others have met solid resistance, as has the more recent idea to send one to Nottingham to serve the musically deprived east of the country. Now Simon Rattle is using his well justified reputation as perhaps the best young conductor in the world to ensure that the CBSO gets more of the Arts Council's limited resources.

Rattle, still only 31, has a contract which runs until 1989, with a two-year option. He has let it be known that he wants to stay with the CBSO, but only if it is securely financed. Another of his dreams, a new concert hall for the city, is

being built, and with the public support of Sir William Rees-Mogg, he is well placed to get the £800,000 in extra cash that he feels the orchestra needs to confirm its reputation.

The London orchestras are cross not only at the thought of a regional rival but because they fear the money for the CBSO will be provided at their expense. In its "Glory of the Garden" proposals of 1984 the Arts Council proposed a shift in resources from London to the regions. But already orchestras like the Bournemouth Symphony and the Liverpool Philharmonic receive £1m a year in subsidy from the Arts Council, over twice the sum given to any of the London orchestras.

And this year, with the demise of the GLC, the Arts Council became the sole source of subsidy for the London orchestras.

The London orchestras feel unappreciated in their own country. They bristle at hearing their provincial rivals—which enjoy higher subsidies—praised to the skies

trast, greatly strengthening its position. In the first year it has made few changes, but when it begins to plan its grants for 1987-88 there will be every incentive for reform. Most vulnerable are the smaller musical ensembles it funds—the English Chamber Orchestra, the Sinfonietta, the Haydn-Mozart Society, and dozens more. Some might receive more aid; a few none at all; some may be delegated to the Greater London Arts Association to look after.

The big four orchestras will all be supported, but there could well be a move away from subsidising them on the basis of

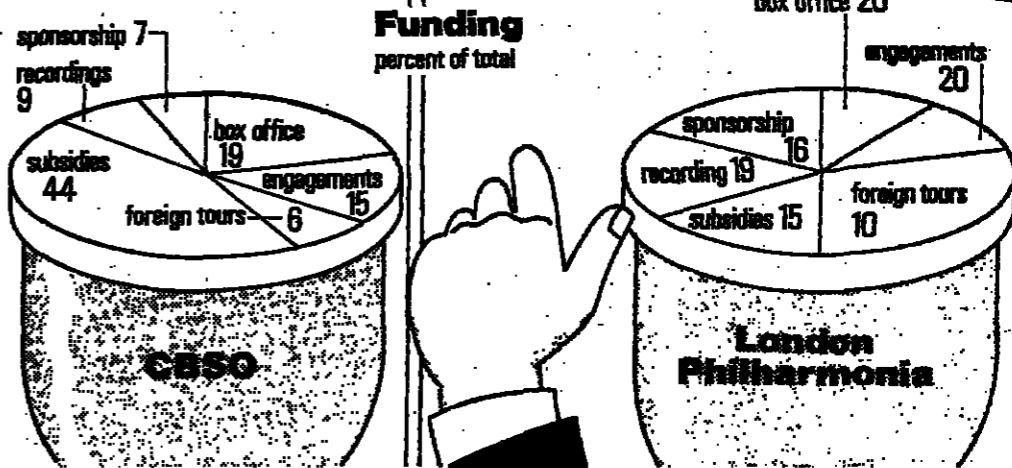
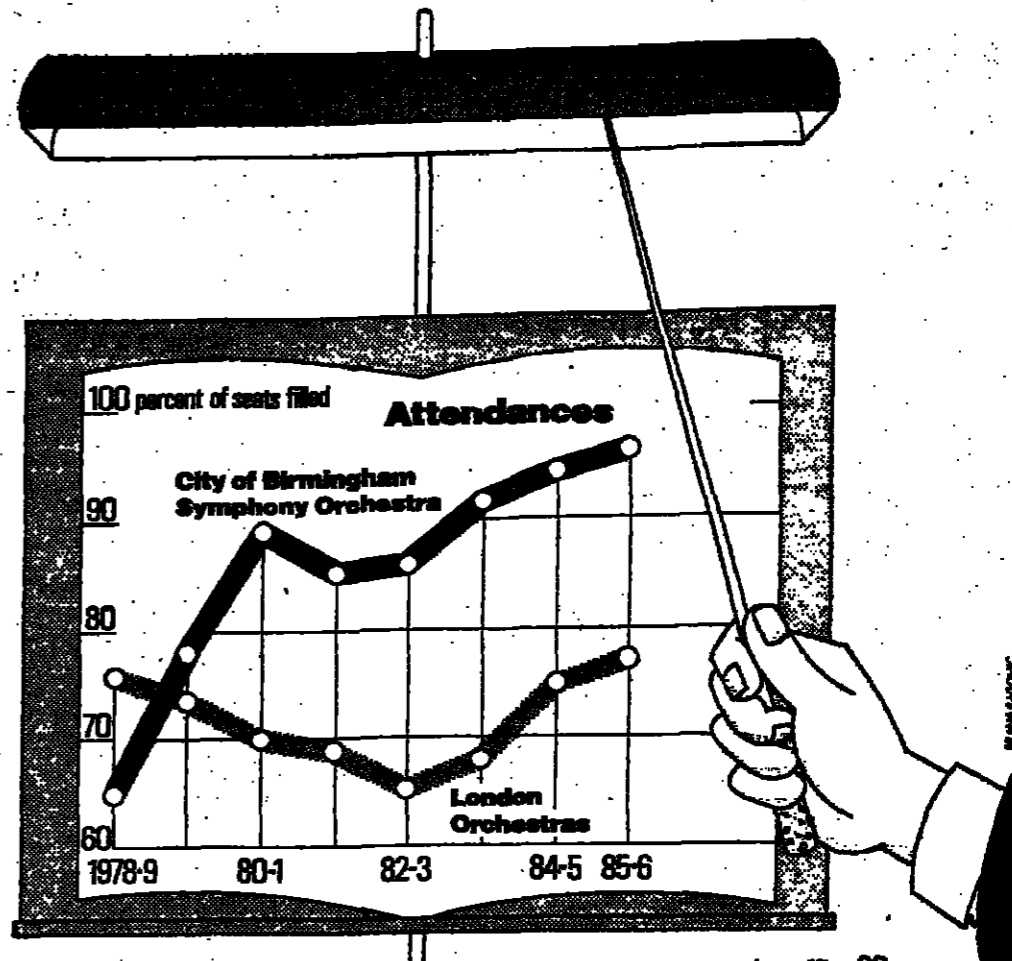
how many concerts they play and towards giving them cash for preparing particularly expensive and interesting programmes. For it is a constant criticism of the London musical scene that there are too many routine, unexceptional, concerts.

This is because the four orchestras have to be cautious and careful to ensure their economic survival. They are now better at operating as small businesses than as groups of musicians. A safe Beethoven programme usually ensures an audience of 90 per cent at the Festival Hall, the showcase for three of them—the LSO is house-orchestra at the Barbican. Even so they would still lose at least £5,000 on such a concert, the deficit made up by subsidy and sponsorship. Anything more ambitious means more rehearsals, usually a smaller audience, and a loss of over £10,000.

This season's programme was planned two years ago during a particularly severe financial crisis and is bland, to say the least. Hence, perhaps, the smaller than expected audiences. For there are signs that the public is now ready for a more challenging musical diet. Simon Rattle, of course, drove home the point by conducting the Philharmonia in an adventurous season of 20th-century French music earlier this year and securing audiences of 75 per cent capacity at the Festival Hall as against the forecast 60 per cent.

But the real force for change in the London musical scene comes from the South Bank Board, which took over the Festival Hall, the Elizabeth Hall and the Purcell Room from the GLC in April. The new artistic director there, Nicholas Snowman, arrived from the Pompidou Centre in Paris as a convinced believer in "festivals," seasons of concerts built around a theme, and preferably linked to other artistic activities, such as art shows in the adjacent Hayward Gallery and plays in the National Theatre.

Snowman can do little at the Festival Hall until the start of the 1986-87 season because of forward booking commitments, but he is badgering the London orchestras to take part in five "themed" events in two years' time, including Brahms and Schoenberg seasons, and one devoted to Beethoven in his old age. He has also changed the booking policy so that any orchestra can reserve dates as far ahead as it likes, thus securing the services of the top international artists.



The orchestras welcome the idea of more imaginative programmes (musicians get very bored playing a stock repertoire) but they are worried about where the money is to come from to pay for the extra rehearsals, and to safeguard them against low audiences. The South Bank has agreed to help by using its promotional budget of around £250,000 to sell the festivals, and also by employing a sponsorship director with the task of persuading business to use the festivals for marketing purposes. It is also changing its booking charges for the 25 per cent of "adventurous" concerts in such a way that it will cost the orchestras less if the concerts are poorly attended but the South Bank will gain more if there is a good audience.

The Arts Council has not committed itself to the South Bank initiative, but it obviously complements the council's preferred approach of rewarding the orchestras according to their programme. The day may not be far off when orchestras perform routine concerts without subsidy but will be well financed if they take a risk on the unknown.

All four would welcome a change from the current situation. So precarious are their finances that their members are forced to work more sessions

than any other orchestras in the world; for the RPO and the LSO it means around 650 three-hour sessions a year. Under the current system the more concerts they perform the more subsidy they get, but it becomes a soulless treadmill. The LSO will promote well over 100 concerts in London this year and play in 90 of them.

Economics forces them into such a frenzy. Alternative sources of income are unpredictable. Film work is in decline because costs are lower in Eastern Europe and, while recording contracts can contribute 20 per cent of annual revenue if you have a star conductor (like André Previn at the RPO and Claudio Abbado at the LSO) it is also volatile. Sponsors have to be laboriously cultivated, and this is now a very competitive area. The general managers of the London orchestras are among the best businessmen in the country.

The orchestras themselves are now sizeable businesses. The RPO will have a turnover approaching £5m this season and has just launched its own record label, which should bring in at least £100,000 a year. The LSO has a revenue of £4m and the LPO, which had a surplus of around £200,000 to start the season, is not far behind. By working furiously the four orchestras are just about solvent (the LSO has the largest debts

but its players have covenanted to pay it off at the rate of £50,000 a year).

Coping with such a financial burden, especially at a time when audiences seem fickle, is enough of a challenge for the orchestras: hearing their provincial rivals praised to the sky is too much. They could survive without subsidy but it would probably force them back to an unimaginative repertoire and more engagements backing "pop" groups. The ultimate decision rests with the Government, and the size of its grant to the Arts Council. If it gives money for growth, above the inflation increase it is committed to, the additional subsidy for the CBSO can be found without hitting the London orchestras. If the grant is below expectations, the London orchestras, not the favourite sons of the Arts Council, could suffer a reduction in subsidy.

Few envisage the demise of a major London orchestra. They have been forced to learn how to survive in a very competitive climate. Perhaps the biggest danger to them is the exciting musical future promised at the start of the 1988 season, when the South Bank embarks on a more adventurous musical policy. Then any short comings will be exposed. In the meantime they will get by, somehow.

Man in the News

Paul Girolami

Making Glaxo's team work

By Tony Jackson



there is of course another view.

This sees Glaxo as just another multinational drug company, making obscene profits from the NHS and the Third World and exploiting the sick and helpless. It is a sinister image, sincerely believed in by a section of the population. Does it bother Girolami?

"Yes, it does bother me, and the staff too. Even more worrying, there seems nothing much we can do about it. Maybe it's an intrinsic part of the industry—it is the sick we're dealing with, and that involves a lot of emotion and political pulls and tugs. The emotion is understandable, and I don't know how to handle it. Maybe we just have to live with it."

Meanwhile, he continues the routine of the international manager—five times a year to Japan, seven or eight times to the US, and a third of his time overall away from home. "Time's a bit rusty, but I've kept it up." And his father, oddly enough, was an international operator in a small way, with family branches in Holland and Frankfurt: "there's still a firm of Girolami & Trilli in Venlo in Holland, where the churches are, though we don't have any interest now."

Internationalism has been essential to Glaxo's recent growth, and on one interpretation the results this week were a model for what British industry should be about in the 1980s—the products of British science, marketed internationally, taking on the world. But

UK and then turn its thoughts to overseas. "That's terrible," Girolami says. "You lose a couple of years that way. You've got to take a world view from the outset."

This raises an intriguing question. Does it help to have people at the top of a company who have early experience of life abroad? Sir John Harvey-Jones, for instance, ICI's outgoing chairman, spent his early years in India, and his successor, Denis Henderson, was born in Sri Lanka.

Girolami (with the stress on the second syllable) is Italian by origin, born near Venice, Italy, as it happens, is now Glaxo's second biggest market, after the US but ahead of the

"PAUL GIROLAMI," says one City analyst, "is the most undervalued manager in British industry."

He is certainly not a self-publicist. This week his company, the drug group Glaxo, produced an extraordinary set of results: profits up by half to over £600m, the company moving from sixth to ninth place in its industry worldwide, with its main product, Zantac, becoming the biggest-selling drug in the world.

But Girolami, a small, wiry man with a mournfully humorous expression, left it to others to bang the drum. In general, one feels, he would rather let others do the talking. And if there is talking to be done, he would far rather it were about Glaxo than himself.

Surely, though, there must be satisfaction for him personally in Glaxo's progress into the big league? Well, of course, obviously, he says, then quickly sidesteps: "the important thing is the way it motivates our people around the world. They get excited when one of our drugs becomes world number one."

A Glaxo man for 21 years—he was before that an auditor, then a management consultant—he tends to speak of "we" rather than "I." Why? "I lead the team, OK, but you can do very little directly on your own. Getting into the US market, for instance, was my idea, but the execution took a lot of people—and a bad design can often be made good by hard work in the field."

It is plain, though, that he takes personal pride in the move into the US—effective about five years ago, and a vital aspect of Glaxo's recent growth. "Back in the late 1970s the then chairman told me, 'It's a wild, tough country out there, and if you make a mistake you'll ruin the group.' I was young then"—he is 60 now—"and I said OK, but if not they'll take us over anyway."

Despite his apparent diffidence, Girolami is a risk taker. It is largely his doing that Glaxo has lately been stripping itself down to a pure prescrip-

Sour taste at the edge of the doughnut

THE AMERICANS have a couple of phrases for it. The first is the "Doughnut", coined to describe the vacuum which developed in towns and city centres in the 1960s and 1970s as householders, jobs and retailers followed the freeways to the edge of town, and left the middle to rot.

Author William Severini Kowinski, with the pun deeply felt and intended, titled his first book "The Malling of America." In an entertaining and provocative look at American shopping malls, he dubbed them both theatre and prison, a protective controlled environment and an attraction for the criminal, both violent and otherwise.

At the same time he commented on the subsequent desolation of town centres—a prospect which has troubled British authorities in recent years.

This week, the British government took aim at one of the alleged causes, or at least symptoms of urban decay, the large out-of-town shopping centre. Mr William Waldegrave, the Environment Minister, said that in future, local planning authorities would have to consult the Department of the Environment before approving any development with over 250,000 square feet of retail floor space.

At present, there is a remarkable 27m sq ft of such "megacentres" in the planning pipeline, representing a proposed investment of £20n to £30n. But this is also a new phenomenon in Britain; the 2m sq ft, £200m MetroCentre in Gateshead's Enterprise Zone, built by the Northumberland developer, John Hall, is the first out-of-town megacentre to switch on he Muzak and start trading.

The definition of a megacentre is that it must be large—at least 250,000 sq ft, and have a wide range of shops to permit comparison shopping. An urban example is Brent Cross in north London, with 760,000 sq ft of space.

Mr Waldegrave, whose prime political objective is to prevent encroachment into the green belt which surrounds Britain's cities and towns, reminded his audience that these development free zones are "one type of area where, except for specially defined categories, there is

a presumption against development. It is a modest single detached house or a giant megacentre of 2m sq ft.

To date, this has not stopped developers and institutions pressing ahead aggressively with Green Belt development plans. Some observers like the megacentre promoters to wildcat oil drills, putting in their applications in the hope that one out of 10 may strike oil. Others have noted planning authorities giving permission to some retail planning applications on the grounds that the public inquiry costs would be too big a financial risk for the public purse.

Multiple applications have included the "Golden Triangle" site at Brickley Wood, Hertfordshire where Town & City Properties (Development), part of Sir Jeffrey Sterling's P & O Group, has put in three bids to develop land bounded by the A405, M1 and M25.

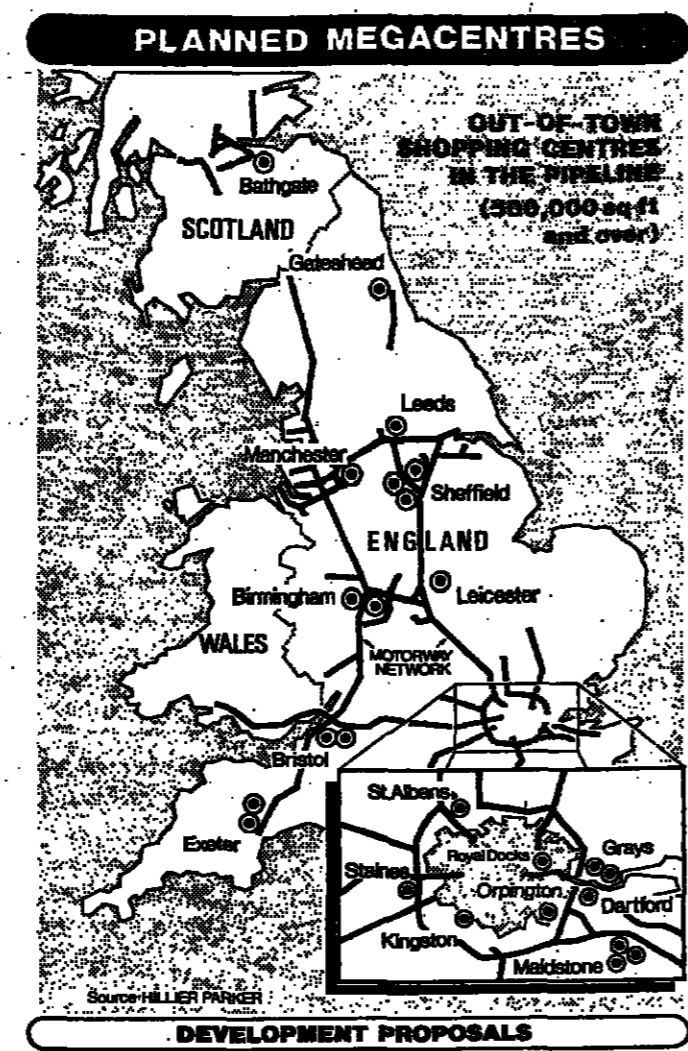
The shopping and leisure complex of 500,000 sq ft planned in mid-1985, the scheme was enlarged to 7m sq ft of shopping, and 5,500 ground-level car spaces; as a result, the open portion of the site fell from nearly 50 per cent of the total—originally pencilled in as a country park—to relatively negligible proportions.

The planning authority, St Albans, was fiercely opposed to the original retail planning application. This went to a public inquiry (still pending), because the local authority did not make a decision within the statutory eight-week period.

Meanwhile, in Bromley, Kent, on the opposite arc of the M25, another megacentre has been proposed by Prudential Assurance, Britain's biggest institutional investor. Only last week, it deposited a planning application with Bromley Borough Council and Sevenoaks District Council for a 900,000 sq ft shopping park at Junction 4 of the M25, near Orpington.

This project has been named Hewitts Park. It takes its name from the famous Hewitts Farm "Pick Your Own" fruit and vegetable centre, part of which provides the site for the proposal. New roads have brought places like Guildford, Surrey, and parts of Essex, within 40 minutes' driving time.

"Rather than disguising the fact that the planning application is made on green belt land," says the Pru, "the proposal actively acknowledges and justifies the action."



Out-of-town shopping centres in the pipeline (250,000 sq ft retail capacity). Development proposals: 18-2m, 10-2m, 10-6m, 10-6m.

"You can get anything from diamonds to yogurt in the mall; you can attend college classes, register to vote, go to the library, see topless dancers and male strippers, give blood, bet, score, jog and meditate, and get a room or a condo and live there."

William Severini Kowinski

the site—the rest, including a recreational park, aimed at promoting and maximising public enjoyment of the green belt.

So what does the Pru think of Mr Waldegrave? "We wholly support the Government's stance on green belt conserva-

tion," says Mr Michael Mallinson, the Pru's top property investment man, but adds: "We believe that our proposals at Hewitts Farm will considerably enhance the green belt rather than detracting from it."

"We consider we will be building on an enormous exist-

ing 'retail' activity and leisure atmosphere at the farm," he says, "although whether the planners would call it retailing is for them to say."

Mr Edward Whitefield, a long-time retail analyst and founder of Management Horizons, which specialises in improving retail profitability, said this week that he would be very surprised if Mr Waldegrave's speech caused the Pru to withdraw from this application.

There is a case, he thinks, for a limited amount of retail development outside existing urban centres.

He thinks that London suburbs like Kingston and Croydon are seeing a much higher level of demand than their retailing space can cope with. "They should either allow additional space, improve access, express and parking, or allow smaller centres on the periphery of their catchment areas to take up the surplus retail traffic—which is, in fact, congesting the centre," he maintains.

The stakes, however, are high. Mr Whitefield estimates that Kingston could lose up to 20 per cent of its retail trade if a 1m sq ft plus scheme by London and Edinburgh Trust, at nearby Hook, Surrey, was allowed to go ahead.

He thinks, on the whole, that Mr Waldegrave's measures are "great news—they'll take the steam out of the arbitrary, almost casual free-for-all of retail planning applications which have been landing on local authorities throughout the country."

Mr Derek Whittaker, the Alliance leader of St Albans council, heartily concurs. "This is the best ministerial statement I've heard in years," he says, "so long as they stick to it. We would look at the Golden Triangle site as the first big test for this leg of government policy."

St Albans, meanwhile, has been doing its best to preserve its retail trade. "Our biggest priority has been to improve car parking and traffic flow," says Mr Whittaker. Kingston, too, is busily enlarging car parks and re-routing traffic.

Another potential megacentre victim, Watford, is also helping itself with a link road into the M1 motorway. It has joined with the Sun Alliance Insurance Group and top retail developer Capital & Counties to put a £100m, 500,000 sq ft shopping centre in the heart of the town. Capco, which is headed by developer all of ten years ago (a long time in this world) with the completion of its highly-praised 780,000 sq ft Eldon Square centre in Newcastle upon Tyne, is now expanding to deal with the threat of the MetroCentre at Gateshead.

Mr John Abel, a director of the company, says Capco is not promoting any out-of-town centres on green belt land. "We've taken this view for commercial reasons," he says. "The chances of success are low, and it would be very expensive to fight a public inquiry." Unlike some of the newer property development companies, Capco has its retailing reputation already made.

In the case of Watford, a key weapon in the town's defence of its retail base is a plan to relocate and expand the local branch of the John Lewis Partnership. The Partnership is regarded as one of the top names in retailing, a prime "anchor tenant" for the shopping centre. The Americans call them "bell cows" meaning that they bring the other tenants in.

But John Lewis has also made its first out-of-town move, planning an out-of-town department store away from the green belt at High Wycombe, to the west of London.

Mr Stuart Hampson, the Partnership's director of research and expansion, argues that some town centres simply cannot cope with the expansion and general improvement in retailing capacity which successful retailers are demanding. Historical centres like Canterbury, York and Chester, he says, are particularly limited in their ability to accommodate demands for extra space.

However, like many of the retailers, developers and investors involved in the retail property business, he is very pleased to see the promise of greater central government control.

Like most of the established players in this game, the Partnership has a big financial stake in urban retail property, as well as a strong conscience on the question of urban decay.

Like the Pru and Marks & Spencer, John Lewis wants what it sees as a balanced policy of retailing development, with limited amount out-of-town retailing to ease the agony out of town centre shopping. Mr Waldegrave would probably go along with that.

* Published by William Morrow and Co. Inc., New York 517-95

Lombard The too quiet Americans

By David Lascelles

IT IS an astonishing thing about the US—the very citadel of capitalism—that the interests of shareholders in public companies should be so completely unrepresented. Or more accurately, that shareholders should allow themselves to be taken over at times even vote to be turned into doormats.

In few other countries which claim to operate a capitalist system does the right of management to entrench itself and protect itself against attack and change go so widely unchallenged.

It was in the US that such ingenious devices as the Golden Parachute and big hand-outs to compensate managers who lose their jobs in a take-over were perfected. It was there that corporate wizards have concocted a whole medicine cupboard full of "poison pills" and other repellents which companies can swallow to make themselves less attractive to predators.

It is there too that no fewer than 31 state governments have gone so far as to enact laws which actually forbid companies in their territory being taken over by hostile forces from out of state.

management they know and trust, even if it is plainly doing only a mediocre job and adding precious little to the share price.

This view must be reinforced by what has recently happened at BankAmerica—the No 2 US bank. The institution has been bleeding with hundreds of millions of dollars of loan losses for several years. But it was only last week-end that Mr Sam Armacost, the president, and Mr Leland Prussia, the chairman, left positions they had held since 1981.

More astonishing still, in many people's eyes, was the board's choice of their successor: Mr Tom Clausen, the very man who is widely thought to have caused BankAmerica's problems with the aggressive growth policies he pursued when he was previously president of the bank in the 1970s.

Mr Clausen may, of course, manage to straighten BankAmerica out. But the combination of the delayed action with this surprising and widely criticised choice must pose the question of how well the shareholders are being served by the board which is supposed to represent their interests.

Knee-jerk response

From the Director, British Management Data Foundation.

Sir—It is a matter of regret that we seem unable to move away from the traditional "knee-jerk" response of raising interest rates whenever there is an over-reaction against sterling in the markets. Exchange rates are trading rates not virility symbols. We need competitive rates if we are to prosper. We have a floating exchange rate and we should use it to our advantage.

If I might add a footnote to my letter of October 14, we need, both in industry and in Government, to have a positive and constructive approach to our problems. It was the negative approach of the Treasury endeavouring to restrict company profits at which my letter was aimed. Incidentally, in my final paragraph there was a misprint—healthy profits are needed to enable adequate investment in training and R & D (not trading and R & D as printed).

Many companies are now putting in more money and effort into these areas—we need a fiscal climate that helps this process not hinders. Anthony Cowling, Selwyn House, Cleveland Row, SW1.

No cause for panic

From Mr K. Gardiner

Sir—Hugo Dixon ("Cause for anxiety, not panic?" October 16) is correct in suggesting that personal assets are unevenly distributed. Many households are net debtors; fewer are net creditors.

This does not, however, mean that the personal sector as a whole is overburdened. The figures which Mr Dixon shows in support of this proposition are constructed on an unusual basis he compares net assets with gross debt. Clearly, if you count debt enough times it will exceed any level of assets.

Comparing like with like, the aggregate picture is less alarming. As recently as the first quarter of 1986 (the most up-to-date comprehensive figures available) personal holdings of money and building society accounts still exceeded comfortably the sum of bank lending, H.P. advances and all mortgages outstanding. If non-liquid assets are taken into account—such position is still less gloomy.

If there is a problem, it is not that the sector is in any meaningful way insolvent, or even illiquid, despite the recent rapid growth of consumer borrowing. Aggregate personal spending is adequately backed by substantial assets but the goods which people

Letters to the Editor

Benefits of BES

From Mr B. Flanagan

Sir—I refer to the Lombard column (September 28) and subsequent correspondence from Messrs Fry (October 1) and Anysz (October 9) regarding the effectiveness or otherwise of the Business Expansion Scheme. It is a pity that Lombard concentrated only on the large scale issues under the BES.

In 1983/84, BES finance was secured by 715 companies including 44 which raised more than £500,000 each. No fewer than 495 firms raised less than £100,000 each, ie 69 per cent of the firms accounted for just 13 per cent of the total funds raised. A classic case of "trivial many" and "significant few," or is it?

The Peat Marwick report on the BES examined the "additional" of finance and employment. Their survey of firms which received BES funding indicated that there was very significant finance additional for firms raising up to £100,000 and that additional was very much lower for firms raising larger amounts. Finance additional referred to the extent to which firms would have been able or unable to raise funds in the absence of the BES.

Extrapolating its survey results, PM estimated that even though firms raising less than £100,000 accounted for only a fraction of the total BES funds, they represented 50 per cent and 65 per cent of the total additional turnover and employment respectively generated by all firms in receipt of BES finance. Surely this is a case of the "significant many."

Lombard's concern about the use of the BES for large fund raising operations is completely supported by the report. It indicates that the cost to the

Exchequer of jobs created by firms raising £250,000 or more averaged £24,100 per job as compared with just £2,200 per job for firms raising less than £100,000.

There exists a strong argument to introduce a maximum ceiling for BES funds raised by any single company in any year. Mr Anysz suggests £1m, but I would go as low as £250,000. Alternatively a system of tapering tax relief could be introduced which would depend not only on the tax position of investors but also on the level of funding secured by investee companies. While the amount raised by the BES would be substantially reduced, most of the benefits would be retained.

Brian Flanagan, Investtech, 24 Fitzwilliam Place, Dublin, Ireland.

Targets for pensions

From Mr M. Meacher, MP

Sir—The Labour Party conference passed a resolution committing the next Labour Government to aim at pensions at the level of one-third of average earnings for a single person and one-half for a married couple. Mr Major, the Government spokesman at the Tory Party conference (October 8) said this could cost £18bn. Election hysteria has obviously already begun in earnest.

Both Ron Todd in moving the resolution and myself in replying, made crystal clear that there was absolutely no question of achieving this immediately. It can only be achieved as fast as economic resources permit. But we do believe this target is practicable.

For someone retiring this year on average earnings, the SERPS addition to the basic pension is £16 a week. By the end of the first five years under a Labour Government, such a person should comfortably have exceeded the target of one-third (if single) or one-half (if married) of average earnings. For those already retired we will examine ways of bringing them into the SERPS scheme through some form of crediting for older pensioners.

Besides, there are huge offsets against the gross cost of which Mr Major seems blithely ignorant. These include the present cost of supplementary benefit for pensioners, other past-prior means-tested benefits, the SERPS additional con-

Engineers' views

From Mr W. Wilson

Sir—It was good to see (October 8) an eminent and successful engineer, Sir Christopher Cockerell, expressing an engineer's view on the safety of nuclear power stations. His considered opinion carries a great deal more real weight than any amount of unimformed protest and I suggest probably has more validity than a scientific opinion. In my view the engineer is the best technological assessor of what is currently possible; that in many respects is his function. It can be argued that the scientific view relates more fundamentally to what is in prospect tomorrow.

My engineering instincts are entirely aligned to Sir Christopher's arguments which are doubly cogent in the consideration of pressurised water reactors. It may just be, however, that continuity of supply, conservation and economy might show some virtue in magnox reactors—now 25 faultless years old—units which I seem to remember, are encased in thick steel shells and concrete boxes capable of withstanding any likely rise in pressure and provided with considerable shut-down and safety control devices and systems. Practice and reason and mass fear of the unknown will make a Government decision in favour of a PWR at Sizewell foolishly, politically. Indeed I am greatly surprised that it has not already been consigned to the shadows, par-

Not a new bottling

From Mr E. Penning-Roswell

Sir—Being abroad, I have been unable until now to reply to Mrs I. Haag's letter (September 20) in which she stated that recently the British wine trade had introduced "quietly—even slyly—the sale of red wine in 0.70 litre bottles."

This is not the case. In fact the smaller-size bottle was introduced, largely by the supermarkets and off-licence chains, in the 1960s for fortified wines in an attempt to show that sherry and port were less expensive. Some traditional wine merchants continued to sell these wines in the 0.75-litre bottles but in the face of the competition had to abandon these, at least for wines bottled in this country. The adoption of the 0.70 litre bottle for table wine followed soon after and is not a recent introduction. For many wine merchants this has been regrettable, not least because it leads to confusion on their lists. In these, however, more often than not they have clearly indicated where the contents of a bottle differ from the traditional 0.75 litre and they welcome the FEC decision that from May 1988 only 0.75 (and 0.375 halves) bottles may be filled.

Edmund Penning-Roswell, c/o Braehen House, Cannon Street, EC4.

Over a barrel

From Mr B. Babouleme

Sir—Mr P. Rowe's response (October 13) to Mr F. V. Mills (October 6) is quite irrelevant. We are talking about blue-chip and other firms which are not the slightest credit risk but which as a matter of policy delay payment to a mass of small firms in order to boost their own cash flow, often hiding behind "the computer" as an excuse.

The small man is over a barrel, for he is naturally reluctant to risk losing his large account by dunning him. B. Babouleme, 10, Richmond Arcuate, SW20.

ADVERTISEMENT						
BUILDING SOCIETY INVESTMENT TERMS						
Product	Applied rate	Net Interest	Minimum balance	Access and other detail		
Abbey National (01-486 5555)	Five Star (Inst.) (max.)	7.00 7.75	£500	Instant withdrawal—£10,000		
	Higher Interest	8.00 8.16	£500	Up to 7.75, 2m, book facility		
	Ordinary Sh. Acc.	7.50 7.64	£1	Easy access, no penalty		
Ald in Thrift (01-638 0311)	Premium Plus	8.50 8.50	£10,000	Inst. wtd. — Pen, H bal. £10K—		
Alliance and Leicester	Gold Plus	8.00 8.00	£10,000	7.75 £500+ imm. withdrawal		
	Bank Save Plus	7.50 7.50	£10,000	2 penalty-free withdrawals p.a.		
	Rdy. Money Plus	5.25 5.32	£1	3 months' notice for withdrawal		
	Cap. Share 90	8.00 8.16	£500	90 days notice or penalty		
	Cap. Share 90	8.25 8.42	£20,000	£10,000+ no penalty		
	Capital Plus	8.50 8.50	£10,000	40 days notice or penalty		
	Summit	8.30 8.30	£1,000	90 days' notice, bal. — £10K		
Barnsley (0226 299601)	Premier Access	9.00 9.00	£10,000	Instant, £5,000 7.75, £500 7.50		
Birmingham Midlands (0902 710710)	Premier Shares	8.00 8.00	£1,000	3 months' notice, withdrawal p.a.		
Breidford and Bingley (0274 561545)	High Interest	8.50 8.50	£100	3 months' notice for withdrawal		
	Prosperity Plan	10.04 10.04	—	p.a. Friendly Society linked		
Bristol and West (0272 294271)	Plus	7.00 7.00	£1,000	No notice penalty		
	Vipie Bonus	8.25 8.25	£10,000	7.4, £1K+ 7.35, £5K+ 7.80		
	Tr. Bonus Income	7.80 8.08	Monthly	£10,000 7.4, £1,000+ 7.30, £5K+ 7.55		
	Special 3-Month	8.50 8.50	£5,000	3 months, or less of interest		
	4 mths. Term Sh.	8.50 8.50	£5,000	Monthly income available		
Britannia (0538 285131)	90-Day Account	8.15 8.32	£1,000	Close 90 days' not. & penalty		
Cardiff (0222 27328)	Julilee Bond II	8.25 8.25	£2,000	90-day notice, m. inc. avail.		
Catholic (01-222 673677)	Fid. Rate 2/5 Yrs	8.25 8.25	£1	No withdrawals		
Castle (Edinburgh) (031 556 1711)	Lon. Sh. (S. Iss.)	8.55 8.55	£500	Inst. wtd. — Inst. pen. or 3 mths.		
Chelsea (01-402 0006)	Chelt. Gold	8.25 M/yrly	£10,000	No notice penalty		
Cheltenham and Gloucester (0242 363611)	Chelt. Premier	8.05 8.35	£10,000	Inst. access, 6 months		
Chestnut (0992 26261)	Spec. 4-Term Sh.	8.25 8.25	£20,000	90 days' notice/penalty		
City of London, The (01-920 9100)	Capital City Gold	8.05 8.05	£2,500	Instant access—no penalty		
Coventry (0203 52277)	MoneyMaker	8.25 8.25	£10,000	Inst. acc. no pen. mths. Inst.		
	High Interest	8.50 8.50	£1,000	Instant access, 6 months		
	3-Year Bond	8.57 8.57	£1,000	Close 90 days' not. & penalty		
	90-Day Option	8.25 8.25	£500	90 days' notice or penalty		
Crestwood (0273 64367)	Gold Miner Acc.	8.94 8.94	£1	On demand, 0.18-0.25-0.45		
Greenwich (0903 68244)	Star 60	8.25 8.25	£500	60 days' notice or penalty		
	Gold Star	8.00 8.00	£10,000	Instant £5K+ 7.75, £1K+ 7.50		
	60-Day Account	8.50 8.50	£10,000	(£500 = 8.00+ 8.05 interest mths.)		
Greenwich (01-858 8212)	High Interest	8.25 8.25	£3,000	Instant access, 6 months		
Guilford (01-262 0311)	Cardcash	5.25 5.32	£1	Instant 7.12 (£20,000+)		
Hullifax	90-Day Xtra	8.00 8.16	£500	90 days, but instant where		
	90-Day Xtra	8.25 8.42	£25,000	65,000 remains		
Hemel Hempstead (0442 217355)	90-Day Xtra	8.25 8.42	£25,000	£1,000		
Henderson	6-Month Shares	8.05 8.05	£1,000	Inst. access no penalty		
High Wycombe (01-928 1331)	Magnum Account	8.25 8.42	£500	(8.50 £10K+ 6 w. + Inst. inst.)		
Lambeth (0202 27920)	High Flyer	8.30 8.30	£10,000	No notice or penalty		
	Super 90	7.70 7.70	£1,000	90 days notice, monthly inc.		
	Super 90	8.25 8.25	£1,000	Inst. acc. on £10,000+ at 0.50%		
	Fully Paid	5.53 5.42	£1	below		
Leeds and Holbeck (0532 459511)	Equity Investment	8.25 8.25	£5,000	90 days notice or penalty		
	Capital Access	8.75 8.75	£5,000	Same W/A on bal. £10,000+		
	Liquid Gold	7.25 7.25	£500	7.50 £5,000+, 7.75 £10,000+		
	Premium Reserve	8.50 8.50	£10,000	3.25 premium guaranteed 1 yr.		
	Pay & Save	5.32 5.32	£1	Inst. £2,000		
	London Share	6.00 6.09	£1	No notice/penalty		
	Premium Rate	7.50 7.64	£1,000	7.75 £2K+, 8.0 £5K, m. l. £5K+		
	Mornington 90	8.50 8.79	£1,000	£10K+ — £10K 90d. not/pen		
	Emerald Shares	9.00 9.00	£25,000	Immediate H £20K remains		
	90 Days Account	8.50 8.50	£500	90 days' notice or penalty under		
	Monthly Income	8.25 8.25	£1,000	£10,000		
	Money Magnet	8.00 8.00	£10,000	No notice no penalty		
	FlexAccount	7.00 7.00	£500	5.50 £3,000+, 6.00+ 7.00		
	BossBuilder	8.00 8.00	£25,000	7.00 £500+, 7.25 £1K+, 7.50 £5K+, 7.75 £10K+		
	Capital Bonus	8.25 8.42	£25,000	£500+ 7.75, £10K+ 8.00		
	Super 90 Shares	8.50 8.50	£500	90 days' not. mths. Inc.		
	High Interest	7.50 7.64	£1,000	7 days' notice £10K+ Immed.		
	Mysplanner, Plus	8.25 8.45	£20,000	Instant access no penalty		
	Super 90	8.00 8.19	£10,000	Instant access no penalty		
	Super 90	7.55 7.73	£25,000	Instant access no penalty		
	Super 90	7.25 7.43	£25,000	Instant access no penalty		
	Super 90	7.85 7.85	£3,000	85 days' notice or penalty		
	High Rise	8.00 8.00	£10,000	90 days' notice/penalty		
	Premium Plus	8.50 8.50	£20,000			

Nikki Tait assesses Hillsdown's £154m placing with clawback
Shape of fund-raising to come

ILL MANNER of vendors will lift the London stock market after October 27. But Hillsdown's £154m placing is expected to arrive before the market has had time to get used to the shape of fund-raising to come.

SOME RECENT ACQUISITIONS BY HILLSDOWN
Company Activity Price Date
Chromo-Tyler furniture maker £4.25m Aug 85
Pike Holdings catering butcher £17.4m Oct 85

cut underwriting costs on the parcel of new shares from the traditional 1 1/2 per cent to 1 per cent. And the shares have also been sold at a 10 per cent discount to the ruling price, slightly tighter than on most normal rights issues.

But having given the company a post-Big Bang date in the queue, the Bank appears to have become nervous about the number of calls on a currently shaky market which would coincide with British Gas's £6m flotation in November.

interest charges will chip in more than £1m towards the 1986 profit total. With that in mind, Mr S. Jenson was yesterday able to predict profits of not less than £20m before tax in the current year against £33.4m last time.

So far, Hillsdown has been hyper-active in smaller deals but aside from brief forays into the S and W Berisford bid battle when it bowed out within two months by withdrawing its bid and selling its 14.7 per cent stake to Ferruzzi, the Italian food conglomerate, it has not tackled the mega-bid field.

Bibby offshoot in £12m buyout

J. Bibby and Sons, the industrial and agricultural group, yesterday sold its 85 per cent stake in Furmanite International, the service and maintenance company, to a management buyout team for £12.2m.

Furmanite, which provides a leak sealing and repair service to the nuclear, oil and petrochemical industries, showed a pre-tax loss of £20,000 on sales of £24m in the eight months to end May 1986. Its net assets are valued at £3.4m.

Turner & Newall and AE suspend shares pending Panel ruling

Both Turner & Newall and AE suspended their shares yesterday pending publication of a statement by the Takeover Panel.

The Panel statement is not now expected until Monday but the announcements fuelled speculation that AE and its financial advisers have been in a strong position to take control as it already owns just under 30 per cent of AE.

decision or the statement of the Panel. If there is an appeal it will be heard probably next week by the Panel's appeal committee which is chaired by Sir Henry Fisher, the retired judge.

Davies & Newman sees second half rise

THE DAN-AIR operation was expected to make a satisfactory contribution to the results of Davies & Newman (Holdings) for 1986.

While the difference in trading conditions in the airline between the winter and summer period continued to widen, the group's customary first half loss showed a slight reduction from £3.58m to £3.48m.

In his interim report, Mr F. E. Newman, chairman, said Dan-Air showed little improvement over last year, but there was an upturn in the spring which has been maintained throughout the summer.

Standard lifts stake in Mocatta

Standard Chartered is to increase its interest in the Mocatta metals companies, in which it already has an 80 per cent stake.

LAIT up and calls for £2.6m

London and Associated Investment Trust, the property and investment group, yesterday reported an increase in pre-tax profits from £183,000 to £240,000 for the six months to end June 1986 and proposed a one-for-one rights issue to finance its expansion.

scribes for 13.5m of the shares, and the rest of the issue will be underwritten.

An interim dividend of 0.15p is to be paid for the first time and LAIT said it planned to pay a final dividend of 0.2p, making a total of 0.35p (0.35p).

Scot Metropolitan

Scottish Metropolitan Property, the property investment company, raised pre-tax profits from £8.78m to £7.07m in the year ended August 15 1986. A final dividend of 2.45p (2.3p) is proposed making a total of 4.25p (4.0p).

Mecca offer for sale is 11 times oversubscribed

Mecca Leisure, the entertainment group, has received an unexpected strong response to its offer for sale. About 45,000 applications were received for over 300m shares, so with only 28m on offer at 135p a share, the issue was subscribed nearly 12 times.

means that some market makers are forecasting a bigger premium than the 10p to 15p originally expected when dealings begin next Thursday.

Bell Resources raises stake in Morgan

Bell Resources, part of the business empire of Mr Robert Hoimes a Court, the Australian businessman, yesterday bought more shares in Morgan Crucible, the British industrial components group, to take its holding to 20.3 per cent.

Jenners setback

The lack of tourists, particularly American, and the very poor spring fashion season combined to hit Jenners, Princes Street, Edinburgh, the department store. In the half year ended July 31 1986 sales came to £8.2m, against £8.2m, but profit fell from £512,000 to £131,000.

Exco directors share sale

FOUR directors of Exco Inter were sold on Thursday at national, the financial services 250.66p each.

Coalite/Hargreaves

Coalite, fuel distribution company, which is engaged in a £28m bid battle for Hargreaves Group, confirmed yesterday that its advisers, Morgan Grenfell, bought 435,000 Hargreaves shares on Thursday.

BET raises £60m with bond issue

BET will be using the proceeds of the issue, which comes in the wake of a £150m sterling commercial paper programme arranged last May, to refinance part of its existing bank debt.

Lee Cooper behind £1m as sales volumes dip

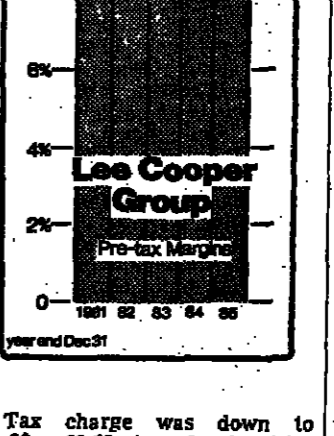
PRESSURE ON margins as well as a drop in the volume of sales hit the first half of the Lee Cooper Group, and its pre-tax profit fell by £1.04m to £5.56m.

Arlington Secs confident

In their interim report the directors of Arlington Securities expressed confidence that pre-tax profit for 1986 will "comfortably exceed" the £5.15m forecast in the prospectus.

J. O. Walker growth

Although held back in the opening quarter, J. O. Walker, timber importer, produced a first half profit of £37,000, compared with a previous loss of £86,000.



I.G. INDEX

FT for October
1.379.1285 (+3)
Tel: 01-828 5699

DIVIDENDS ANNOUNCED

Table with columns: Company, Current payment, Date, Total of 1986, Total last year.

RESULTS

Table with columns: Company, Dividend, Notes.

GRANVILLE
Granville & Co. Limited
List of companies and their share prices.

RIVER and Mercantile Geared Capital and Investment Trust second interim dividend 1p per second share for period to September 30 1986.

COMPANY NEWS IN BRIEF

STODDARD (HOLDINGS)—Mr G. D. J. Hay, chairman, told shareholders that the first half of the current year had seen a continuation of the recovery.

BIDS AND DEALS

SOUTHERN STADIUM agreed to purchase a portfolio of seventeen freehold and leasehold shop properties for £3.63m to be satisfied in shares.

IMPERIAL CHEMICAL INDUSTRIES

IMPERIAL CHEMICAL INDUSTRIES has paid an undisclosed price for Interplastic-Werk, an Austrian manufacturer of plastic sheetings and PVC.

BUTTERLEY ENGINEERING

BUTTERLEY ENGINEERING is absorbing the metrology division of Butterley Precision Industries and closing its factory division because of the general decline in demand for cast iron products.

Ford chief hopeful on Alfa takeover

BY JOHN WYLES IN ROME

MR DONALD PETERSEN, president of the Ford Motor, returned to Detroit yesterday hoping that he has successfully "sold" to the Italian Government his company's proposals for taking over Alfa Romeo.

around the struggling Alfa Romeo which has not made a profit in 13 years. "It would be very important for us to maintain the economic independence of Alfa as well as its identity," said Mr Petersen after his meeting with Mr Craxi.

Paribas float advisers lined up

BY PAUL BETTS IN PARIS

THE FRENCH Government has selected Rothschild and Swiss Bank Corporation to advise it on the privatisation of Paribas, the financial group chosen as one of the first three privatisations of the Government's ambitious denationalisation programme.

Swedish Match 45% ahead at eight months

By Sara Webb in Stockholm

SWEDISH MATCH, the diversified industrial group which is the world's leading manufacturer of matches, reported a 45 per cent increase in profits for the first eight months.

Japanese telecom merger move fails

By Ian Rodger in Tokyo

KOKUSAI Digital Tsushin, the Japanese telecommunications consortium in which Cable and Wireless of Britain has a 20 per cent stake, has failed in an attempt to merge with its rival, International Telecommunications of Japan (ITS).

Gold rise brings reprieve for Detour Lake mine

BY BERNARD SIMON IN TORONTO

THE RISE in the gold price has encouraged Campbell Red Lake Mines, the Canadian mining group, and its US partner Amoco to proceed with construction of a \$280m (US\$36.5m) underground section at the troubled Detour Lake gold mine in northern Ontario.

Scandinavians in pulp technology link

BY KEVIN DONE, NORDIC CORRESPONDENT IN STOCKHOLM

UNITED PAPER Mills of Finland and Svenska Cellulosa (SCA) of Sweden, two of the leading Scandinavian forest products groups, are to merge their pulp technology operations.

SBC forecasts record year

By Our Financial Staff

SWISS BANK CORPORATION, Switzerland's second largest bank, says third-quarter earnings surpassed those of the third period last year. It expects full-year earnings to exceed a record SF 608.4m (SF7.8m).

NORTH AMERICAN QUARTERLIES

Table with columns for company names (e.g., ALEXANDER AND BALDWIN, BANK OF BOSTON) and financial data for 1986 and 1985.

PPG INDUSTRIES

Table with columns for PPG Industries financial data for 1986 and 1985.

WEEKLY PRICE CHANGES

Table showing weekly price changes for various commodities like Metals, Grains, and Oils.

NEW YORK

Table showing New York market prices for commodities like Aluminum, Cocoa, Coffee, Copper, Cotton, Gold, Lead, Nickel, Tin, Zinc, and Soybean Meal.

ALUMINIUM

Table showing Aluminum prices and market status.

COPPER

Table showing Copper prices and market status.

LEAD

Table showing Lead prices and market status.

NICKEL

Table showing Nickel prices and market status.

TIN

Table showing Tin prices and market status.

ZINC

Table showing Zinc prices and market status.

REUTERS INDICES

Table showing Reuters indices for various markets.

REYNOLDS METALS

Table with columns for Reynolds Metals financial data for 1986 and 1985.

GAS OIL FUTURES

Table showing Gas Oil futures prices.

HEAVY FUEL OIL

Table showing Heavy Fuel Oil prices.

LEADED GASOLINE

Table showing Leaded Gasoline prices.

COCOA

Table showing Cocoa prices.

RUBBER

Table showing Rubber prices.

SOYABEAN MEAL

Table showing Soybean Meal prices.

THE CITY AFTER THE FINANCIAL SERVICES AGT LONDON 3 & 4 NOVEMBER, 1986

WORLD STOCK MARKETS

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

NEW YORK

Table of New York stock market activity, including columns for Stock, Oct 17, Oct 16, and Oct 15.

Trendless & awaiting Opec talks

STOCK PRICES closed slightly lower in a trendless market on Wall Street yesterday. Companies associated with takeover rumours provided most of the activity, while continued failure of Opec to reach an accord on oil production quotas pressured oil stocks.

The Dow Jones Industrial Average finished 0.55 up at 1,837.04, making a rise of 43.87 on the week, while the NYSE All Common index, at 137.47, shed 0.4 cents, reducing its gain on the week to 0.17. But declines led advances 807-to-675. Volume 124.11m (188.29m) shares.

Despite a decline in September housing starts, Bonds drifted lower, providing no support to the Stock Market. A decline of 7.6 per cent in a September housing starts, and a drop of 8.6 per cent in the rate at which permits were issued in September, illustrated the sluggishness in the economy, one analyst said.

Richfield \$1 to \$55, Pennzoil \$1 to \$60, and Occidental Petroleum \$1 to \$20.

Airlines declined slightly. One analyst said, "It will take time with Opec ultimately, to get the Airlines really going."

The scheduled expiration of individual stock options had little effect on the market. Goodyear, the most actively traded stock, jumped \$3 to \$41. Traders said GAF displayed interest in Goodyear.

Public Service of Indiana, also associated with takeover rumours rose another \$1 to \$18. THE AMERICAN SE Market Value index shed 0.03 to 263.16 for a loss of 1.49 on the week. Volume \$4.1m (9.25m) shares.

foreign shares showed losses leading gains by 43-to-17.

Foreign investors were active sellers following the week's disappointing French trade and current account figures, and French investors were discouraged by rising interest rates in the financial markets.

Non-voting securities issued by State-owned companies were weak, with non-voting loan stock of CCF, Thomson and Saint Gobain all losing more than 6 per cent.

Broadly lower in quiet pre-weekend trading. The Nikkei Dow Market average dropped another 10.65 to 16,701.34. Five straight declines this week have sent the market average \$48.24 lower. Volume 300m (430m) shares.

STOCK PRICES closed slightly lower in a trendless market on Wall Street yesterday.

Companies associated with takeover rumours provided most of the activity, while continued failure of Opec to reach an accord on oil production quotas pressured oil stocks.

The Dow Jones Industrial Average finished 0.55 up at 1,837.04, making a rise of 43.87 on the week, while the NYSE All Common index, at 137.47, shed 0.4 cents, reducing its gain on the week to 0.17.

Despite a decline in September housing starts, Bonds drifted lower, providing no support to the Stock Market. A decline of 7.6 per cent in a September housing starts, and a drop of 8.6 per cent in the rate at which permits were issued in September, illustrated the sluggishness in the economy, one analyst said.

STOCK PRICES closed slightly lower in a trendless market on Wall Street yesterday.

Companies associated with takeover rumours provided most of the activity, while continued failure of Opec to reach an accord on oil production quotas pressured oil stocks.

The Dow Jones Industrial Average finished 0.55 up at 1,837.04, making a rise of 43.87 on the week, while the NYSE All Common index, at 137.47, shed 0.4 cents, reducing its gain on the week to 0.17.

Despite a decline in September housing starts, Bonds drifted lower, providing no support to the Stock Market. A decline of 7.6 per cent in a September housing starts, and a drop of 8.6 per cent in the rate at which permits were issued in September, illustrated the sluggishness in the economy, one analyst said.

STOCK PRICES closed slightly lower in a trendless market on Wall Street yesterday.

Companies associated with takeover rumours provided most of the activity, while continued failure of Opec to reach an accord on oil production quotas pressured oil stocks.

The Dow Jones Industrial Average finished 0.55 up at 1,837.04, making a rise of 43.87 on the week, while the NYSE All Common index, at 137.47, shed 0.4 cents, reducing its gain on the week to 0.17.

Despite a decline in September housing starts, Bonds drifted lower, providing no support to the Stock Market. A decline of 7.6 per cent in a September housing starts, and a drop of 8.6 per cent in the rate at which permits were issued in September, illustrated the sluggishness in the economy, one analyst said.

STOCK PRICES closed slightly lower in a trendless market on Wall Street yesterday.

Companies associated with takeover rumours provided most of the activity, while continued failure of Opec to reach an accord on oil production quotas pressured oil stocks.

The Dow Jones Industrial Average finished 0.55 up at 1,837.04, making a rise of 43.87 on the week, while the NYSE All Common index, at 137.47, shed 0.4 cents, reducing its gain on the week to 0.17.

Despite a decline in September housing starts, Bonds drifted lower, providing no support to the Stock Market. A decline of 7.6 per cent in a September housing starts, and a drop of 8.6 per cent in the rate at which permits were issued in September, illustrated the sluggishness in the economy, one analyst said.

Base values of all indices are 100 except Brussels and Tokyo. JSE and NYSE All Common - 1,000. Standard and Poors - 100 and Toronto Composite - 1,000. Toronto Industrial - 1,000. Toronto Financial - 1,000. Excluding closed, U Available.

Handwritten signature or mark.

Cautious response to Chancellor's speech

Account Dealing Dates
Option
First Declares Last Account

FINANCIAL TIMES STOCK INDICES
Table with columns: Index Name, 17, 15, 14, 13, year ago, 1986 High/Low, Since Completion High/Low

revived annual figures. Wingate
traded strongly and rose 36 to
440; the company is the subject
of a proposed cash injection from
Chase Corporation of New Zealand.

The UK securities markets gave
a somewhat muted reception to
the assurance from the Chancellor
of the Exchequer that the Govern-
ment will adhere to present mon-
etary strategies despite the recent
pressures on the pound.

Such a deal is not technically
permissible until after October
27 - Big Day - but Hilldown's
issue date has been brought forward
to October 10 at the behest of the
Bank of England, which is reshuf-
fling its new issue list to accom-
modate the mammoth British Gas
sale, expected at the end of
November.

Smaller-priced textile con-
cerns to the fore included
Youghal, up 2 1/2 further for a five-
day gain of 5 1/2 to 160.

The market opened for business
in a nervous mood, after several
City analysts had criticised the
content of the Chancellor's speech
at the Mansion House. However, it
was the initial fall in sterling
which tipped the scales towards
the bears in the gilt-edged market,

Prices settled back towards
their lowest levels of the session,
closing with widespread falls of 3/4
to 1% of a point. The FT Govern-
ment securities index fell 0.41 to
82.36.

Oil's edged higher
Reports of modest progress at
the Opec meeting currently under
way in Geneva prompted a firmer
opening by leads 8 1/2, however
support was also paid to Acera
Computers, 6 up at 45p, and BSR, 3
dearer at 88p, while a favourable
press mention lifted Burgess 5 to
25 1/2, after 25 1/2.

Higher rates in domestic money
markets, which increase the cost
of financing for the major banks,
took several pence off Lloyds, and
Barclays.

Conflicting views on short-term
interest rates were traded in the
bank issues with the exception of
TSB. Merchant Banks featured
Guinness Pet which rose 3
further to 97p despite British and
Commonwealth's denial that it
purchased a 22 per cent stake in
the existing 85% share.

Consolidated Gold Fields contin-
ued to respond to takeover
speculation; initially buoyed by
another favourable press men-
tion, the shares attained a new
peak of 70 1/2 before settling a net
2 1/2 to 68 1/2. However, rumours
were again circulating that Han-
son Trust is currently involved in
a stake-building exercise.

FOREIGN EXCHANGES

Sterling lacks confidence

THE POUND continued to fall in
currency markets yesterday as
speculators showed their
disappointment in Mr Nigel Law-
son's speech on Thursday night.
There had been hopes of a clue on
whether the time was
approaching for sterling to join
the exchange rate mechanism of
the EMS but the Chancellor was
not to be drawn on this other than
repeating the view that entry was
favoured but the time was not yet
right.

The dollar was very little
changed in quiet and nervous pre-
week trading. Pears of central
bank intervention appeared to
draw it down from 116 to 115 1/2
which US data released yesterday
failed to provide the impetus to
break through. September
bonding starts fell a surprise 7 1/2
per cent while capacity utilisation
recorded an unimpressive rate of
79.2 per cent. With a little short
covering ahead of the weekend,
the dollar finished unchanged at
DM 1.9745 and barely changed
against the yen at Y154.25 com-
pared with Y154.25. Elsewhere it
was higher at Sfr 1.6206 from Sfr
1.6180 and unchanged against the

French franc at Ffr 4.6675. On
Bank of England figures, the dol-
lar's exchange rate index closed
at 108.9 against 108.8 on Thursday.
D-MARK - Trading range
against the dollar in 1986 is 2.4719
to 1.7440. September average
2.6485. Exchange rate index 142.8
against 135.6 six months ago.

NEW YORK

Table with columns: Oct 17, Close, Previous

POUND SPOT - FORWARD AGAINST THE POUND

Table with columns: Oct 16, Day's spread, Close, One month, % p.a., Three months, % p.a.

STERLING INDEX

Table with columns: Oct 17, Previous

DOLLAR SPOT - FORWARD AGAINST THE DOLLAR

Table with columns: Oct 17, Day's spread, Close, One month, % p.a., Three months, % p.a.

CURRENCY RATES

Table with columns: Oct 17, Bank of England, Special Reserve

EURO-CURRENCY INTEREST RATES

Table with columns: Oct 17, Short term, 7 Day, One, Three, Six, One Year

CURRENCY MOVEMENTS

Table with columns: Oct 17, Bank of England, Morgan

OTHER CURRENCIES

Table with columns: Oct 17, E, S

EXCHANGE CROSS RATES

Table with columns: Oct 17, E, S, Int, Yen, F Fr., S Fr., H Fr., Lira, C \$, B \$

MONEY MARKETS

UK rates continue upward

INTEREST RATES were higher in
London yesterday as the market
failed to take heart from Mr Nigel
Lawson's Mansion House speech.
Sterling fell to a record low
against the D-Mark and equalled
its low on the exchange rate index
which created even more concern.
Dealers were becoming more
sceptical about the authorities'
ability to hold UK bank rates at
11 per cent, considering that
the weekly 1 per cent rise was
considered as too little, too late.

UK clearing bank base
lending rate 11 per cent
since October 15

In Frankfurt call money was
quoted at 4.15-4.25 per cent from
4.20-4.30 per cent on Thursday.

MONEY RATES

Table with columns: New York, Treasury Bills and Bonds

FT LONDON INTERBANK FIXING

Table with columns: 6 months U.S. dollars, 6 months U.S. dollars

LONDON MONEY RATES

Table with columns: Oct 16, Overnight, 7 Day, One, Three, Six, One Year

London Money Rates

Table with columns: Oct 16, Overnight, 7 Day, One, Three, Six, One Year

LONDON TRADED OPTIONS

Table with columns: Calls, Puts, Various option symbols like Allied, B.P., Com. Gold, etc.

Table with columns: Calls, Puts, Various option symbols like Bechem, BSR, etc.

LONDON RECENT ISSUES

Table with columns: Issue No., Issue Name, Price, Change, etc. Lists various financial issues and their market performance.

FIXED INTEREST STOCKS

Table with columns: Issue No., Issue Name, Price, Change, etc. Lists fixed interest stocks and their market performance.

"RIGHTS" OFFERS

Table with columns: Issue No., Issue Name, Price, Change, etc. Lists rights offers and their market performance.

Announcements due shortly but day for dealing free of stamp duty. A Annualized dividend. B Flows based on prospectus estimates. C Dividend rate paid or payable on part of capital, cover based on dividend on full capital. D Annualized dividend and yield. E Account dividend and part of other scrip issues. F Prospectus dividend cover on scrip issues. G Dividend and yield based on prospectus or other official estimates for 1987. H Estimated annualized dividend, cover and yield based on latest annual earnings. I Forecast annualized dividend, cover and yield based on prospectus or other official estimates. J Pro Forma dividend cover ratio based on prospectus or other official estimates. K Dividend and yield based on prospectus or other official estimates. L Forecast, or estimated annualized dividend, cover and yield based on prospectus or other official estimates. M Other holders of ordinary shares as "rights". N Introduction. O Issued by way of capitalisation. P Flotation price. Q Subordinated. R Issued in connection with recapitalisation merger or takeover. S Allotted price. U Unlisted securities market. V Official London listing. W Including warrants attachments.

FINANCIAL TIMES SURVEY: The Financial Times proposes to publish an EXPORT SERVICES SURVEY on November 17, 1986. The following subjects will be covered: 1. Introduction, 2. Government Support, 3. The Private Sector, 4. The Language Problem, 5. Trade Fairs and Exhibitions.

EUROPEAN OPTIONS EXCHANGE

Table with columns: Series, Vol., Last, Bid, Ask, etc. Lists European options exchange data.

BANK RETURN

Table with columns: LIABILITIES, ASSETS, etc. Shows banking department returns for October 15, 1986.

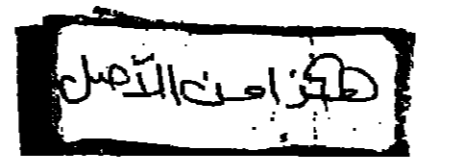
AUTHORISED UNIT TRUSTS

Large table listing various authorized unit trusts, including names, managers, and performance metrics.

FT UNIT TRUST INFORMATION SERVICE

Large table listing unit trust information, including names, managers, and performance metrics.

Large table listing additional unit trust information, including names, managers, and performance metrics.



INSURANCE, OVERSEAS & MONEY FUNDS

Table of insurance and overseas funds, including entries for Standard Life Assurance, Sun Life of Canada, and various international investment funds.

Table of money funds, including entries for various domestic and international equity and bond funds.

Table of money funds, continuing from the previous table with more fund listings and their performance metrics.

Table of money funds, continuing with further listings and details for various investment vehicles.

OFFSHORE AND OVERSEAS

Table of offshore and overseas funds, including entries for various international equity and bond funds.

Table of offshore and overseas funds, continuing with more fund listings and their performance metrics.

Table of offshore and overseas funds, continuing with further listings and details for various investment vehicles.

Table of offshore and overseas funds, continuing with more fund listings and their performance metrics.

Money Market Trust Funds

Money Market Bank Accounts

NOTES

TRADITIONAL OPTIONS 3-month call rates

Table of traditional options and 3-month call rates, listing various financial instruments and their current market values.

BRITISH FUNDS

Table of British Funds including categories like 'Up to Five Years', 'Five to Fifteen Years', 'Over Fifteen Years', 'Unlisted', 'Index-Linked', 'INT. BANK AND OSEAS GOVT STERLING ISSUES', 'CORPORATION LOANS', 'COMMONWEALTH & AFRICAN LOANS', 'LOANS', 'Public Board and Ind.', 'Financial', and 'FOREIGN BONDS & RAILS'.

AMERICANS - Cont.

Table of American Stocks including categories like 'CANADIANS', 'BANKS, HP & LEASING', 'BEERS, WINES & SPIRITS', 'BUILDING, TIMBER, ROADS', 'DRAPERY & STORES', 'ELECTRICALS', 'FOOD, GROCERIES, ETC', and 'HOTELS AND CATERERS'.

LONDON SHARE SERVICE

Main table for London Share Service listing various stocks and their prices, organized by industry sectors such as Building, Timber, Roads, Drapery & Stores, Electricals, Food, Groceries, etc.

ENGINEERING - Continued

Table of Engineering stocks including companies like BHP, BOC, BOC Group, BOC Intermediate, BOC Metals, etc.

INDUSTRIALS - Continued

Table of Industrial stocks including companies like BHP, BOC, BOC Group, BOC Intermediate, BOC Metals, etc.

Handwritten text at the bottom of the page, possibly a signature or note.

Table with columns for Stock, Price, and various financial metrics. Includes sub-sections for LEISURE, PROPERTY, and INVESTMENT TRUSTS.

Table with columns for Stock, Price, and various financial metrics. Includes sub-sections for MOTOR, AIRCRAFT TRADES, and COMMERCIAL VEHICLES.

Table with columns for Stock, Price, and various financial metrics. Includes sub-sections for SHIPING, SHOES AND LEATHER, and SOUTH AFRICANS.

Table with columns for Stock, Price, and various financial metrics. Includes sub-sections for TEXTILES, OVERSEAS TRADERS, and PLANTATIONS.

Table with columns for Stock, Price, and various financial metrics. Includes sub-sections for MINE, CENTRAL AFRICAN, and AUSTRALIANS.

Table with columns for Stock, Price, and various financial metrics. Includes sub-sections for TISS, MISCELLANEOUS, and NOTES.

Table with columns for Stock, Price, and various financial metrics. Includes sub-sections for INSURANCE and LEISURE.

Table with columns for Stock, Price, and various financial metrics. Includes sub-sections for PROPERTY and TRUSTS, FINANCE, LAND.

Table with columns for Stock, Price, and various financial metrics. Includes sub-sections for TOBACCO and TRUSTS, FINANCE, LAND.

Table with columns for Stock, Price, and various financial metrics. Includes sub-sections for MINE, CENTRAL AFRICAN, and AUSTRALIANS.

Table with columns for Stock, Price, and various financial metrics. Includes sub-sections for TISS, MISCELLANEOUS, and NOTES.

Table with columns for Stock, Price, and various financial metrics. Includes sub-sections for REGIONAL & IRISH STOCKS and RECENT ISSUES and RIGHTS.

WHAT IS NEW NOW... CALDER PRIORITY... 0800-414161... Fidelity

HOPEPE SPAIN'S SHERRY GONZALEZ BYASS

Goodison warns on capital markets

By Clive Wolman... SIR NICHOLAS Goodison, the Stock Exchange chairman, yesterday warned that the UK's capital markets would suffer serious consequences if the proposed merger of the Exchange with the International Securities Regulating Organisation, which represents the large international securities houses, was not approved.

Opec deadlock over quota extension

BY RICHARD JOHNS IN GENEVA

KUWAIT AND Saudi Arabia yesterday blocked an agreement sought by most of the 13 members of the Organisation of Petroleum Exporting Countries to extend a production sharing pact until the end of the year. The two countries say they will not accept a continuation of the present interim agreement unless a new distribution of quotas is decided in Geneva and they are given a bigger share.

On the issue of the more explicit Kuwaiti demand for a bigger quota from November 1, he said: "That is the Saudi position as well. It is not Kuwait alone." Saudi and Kuwaiti ministers undertook last night to consult their governments in the hope of finding a compromise to break the deadlock.

Carrington dismisses military complaints about US arms plan

BY DAVID BUCHAN IN BRUSSELS

LORD CARRINGTON, Nato Secretary General, yesterday dismissed complaints of the organisation's military commanders that the US failed to consult them properly on arms control before or after the Iceland summit. However, he conceded that there was some substance to the military's fears over making cuts in isolated categories of nuclear weapons.

Accord 'has changed atmosphere in Ulster'

By Hugh Carney in Dublin

THE ANGLI-IRISH Agreement signed last November has changed the political atmosphere in Northern Ireland and promoted a new relationship between Dublin and London, Mr Peter Barry, Irish Foreign Minister, said last night. It offered the best hope to northern nationalists since partition, he said.

Jaguar workers vote to continue strike in rebuff to shop stewards

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

ASSEMBLY WORKERS at Jaguar, Coventry, overturned the recommendation of their shop stewards yesterday and voted to continue a strike which has halted production of all saloons including the new XJ6.

Continued from Page 1 Markets

There was little Mr Lawson could have said to change the attitude. The Bank of England's sterling index equalled its all-time low before recovering in afternoon trading, but it has still declined more than 4 per cent in the last month.

Table with 2 columns: Item, Price Change. Includes Acorn Computer, Alfa Conv. Equip., BSE, etc.

Table with 2 columns: Location, Weather. Includes Ajaccio, Algiers, Amman, etc.

Continued from Page 1 Barcelona 'gold'

IOC about its commitment to amateurism, the lessons of Seoul, South Korea, the IOC has taken control of negotiating the marketing and sponsorship rights rather than leaving it to the country hosting the games.

Continued from Page 1 Inflation

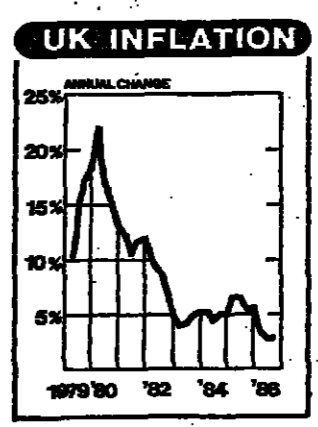
rate if the alternative is higher interest rates. Yesterday, however, Mr Kenneth Clarke, the Paymaster General, said that keeping inflation figures low remained the "key priority of the Government".

THE LEX COLUMN

Short steps to the long term

Until the Duke of Edinburgh's reported remarks on the Chinese physiognomy hit the Hong Kong stock market yesterday there was no holding it. While other stock markets have trodden water for the past three months the Hong Kong Exchange has grown by 20 per cent. In one respect at least this inverse relationship is not accidental.

Index rose: 3.9 to 1,281.5



the right people. But this issue is much more than a getting-to-know-you exercise. Hilldown is a profoundly ambitious company and will feel most uncomfortable in a position of no net indebtedness. The 7 per cent rise in Dalgety's share price yesterday is a fair indication of where the market thinks Hilldown's ambitions lie.

Monetary policy

Even for a Friday, when no one likes to open a position ahead of the weekend, the market's view of the Chancellor's Mansion House speech was clear—they were not impressed. The pound slipped, gilt-edged bid and the money markets edged interest rates higher.

Hilldown

Hilldown's £154m share offer is the first sizeable vendor placing for cash to be seen in the London market, and was only possible through special Stock Exchange dispensation. Yet the deal has much in common with a conventional rights issue, and what with all the underwriting fees, seems almost comically old-fashioned compared with Salomon Brothers' razor-edged bought deal for Granada the previous day.

BET issue

BET was another company not to have a rights issue yesterday, having promised not to during its bid battle for H&A Group. The launch of £50m convertible Eurobond issue was, of course, just part of BET's programme of debt restructuring, and could save £3m in interest in a full year.

A fund for all seasons.

Even the strongest companies can fall temporarily from favour and experience depressed share prices. To invest in them at such time gives a good chance of significant gain. These opportunities can arise at any time, so that a unit trust specialising in these recovery situations can offer growth potential regardless of whether stock markets are going up or down.

The Oppenheimer Worldwide Recovery Trust.

gives Financial Advisers a managed fund that seeks capital growth by investing around the world in companies with recovery potential. Your clients therefore get a spread of international investments to minimise risk. Over the 12 months to the 1st October 1986 the fund is up 65.7%.

Like all unit trusts, investment should be considered for the medium to long-term.

The fund is managed by the team responsible for the No.1 Unit Trust in 1985, European Growth, and our highly regarded International Growth Trust.

To get a copy of our Brochure 'A Fund for all Seasons' call 01-489 1078 or write to us at 66 Cannon Street, London EC4N 6AE.



A member company of the Mercantile House Group.

Registered at the Post Office. Printed by St. Clements Press for and published by the Financial Times Ltd, Bracken House, Cannon Street, London EC4N 3DF. © The Financial Times Ltd, 1986. Reproduction of the contents...

WEEKEND FT

Saturday October 18 1986

MARKETS • FINANCE & THE FAMILY • PROPERTY • TRAVEL • MOTORING • DIVERSIONS • HOW TO SPEND IT • BOOKS • ARTS • TV

Permafrost politics

Spitsbergen, in the high Arctic, is the only place in the West where the Russians maintain a quasi-strategic rôle
Kevin Done weighs up a delicate balance.

THE 15-minute helicopter ride between Longyearbyen and Barentsburg on the Svalbard island of Spitsbergen is a fight between two worlds, a bizarre link between the Communist east and the capitalist west in the high Arctic, barely 500 miles from the North Pole.

In Barentsburg, population 1,250, the clocks follow Moscow time; the only telecommunications links are to the Soviet Union via Murmansk, and the community picks up Russian television. The local currency consists of tokens issued by Trust Arktikugol, the Soviet coal mining company. The population is exclusively Soviet, the street signs all in Russian. Guests are served borscht and mineral water from Georgia for lunch. Mr Gorbatov's alcohol purga has reached all the way to Svalbard.

Heroic murals of Lenin and muscled-bound miners urge the Barentsburg inhabitants on as they walk the few, bleak, uneven streets, hunched against the cold. Outlandish black and white penguin-shaped litter bins stand before the doors to almost every building. In front of one house two painted metal minnows lean unsteadily, a forlorn reminder of warmer climes.

A mere 25 miles further east along the fjord, Longyearbyen (population 1,115) is two hours behind Barentsburg's self-appointed time zone. Here, the clocks follow Oslo time. The inhabitants are Norwegian.

"The political position is very delicate, very challenging. This is the only place in the world where there is a Russian community on western soil," says Leif Eldring, the tough Norwegian governor who improbably combines the roles of chief of police, judge, notary public, and chief representative of the Norwegian Government 1,550 miles away in Oslo.

The strategic importance of the Arctic is growing in a way unthinkable only a decade ago, as new technology

opens the way for oil, gas and minerals exploitation and the shadow of super-power nuclear rivalry falls across the region: the development of the Kola Peninsula into the world's most powerful military base.

The Russians began arriving on Svalbard in the early 1930s when they bought up a coal mine from the Dutch. Until the mid-1970s, Norwegian sovereignty was largely theoretical. "The governor had no resources," says Eldring. "In the first 10 years Norwegian sovereignty had little meaning for them."

There are no roads between the isolated Russian and Norwegian communities. Contact, when necessary, is by helicopter, occasional boat—drift ice permitting—in the months from May to the end of November, when the waters are open to navigation or, more adventurously, by snow scooter in winter. "In 1976 we got a helicopter for the governor. Before, in the summer we only had a boat and that took three hours to Barentsburg from Longyearbyen. With the helicopter we introduced a weekly visit. Now we have a house there, and a car," says Eldring.

It is a tricky balancing act and the Russians are touchy about what they see as infringements on their earlier independence.

The Norwegians were first given sovereignty over Svalbard in the 1920s under an international treaty that grew out of the Versailles peace conference at the end of the First World War. The sovereignty was subject to certain key restrictions. Interpretations vary, and the treaty and the associated mining code are coming under increasing pressure as the hunt for oil and gas in the Arctic is stepped up. British Petroleum has been shooting seismic on the glaciers of Svalbard during the summer; Statoil, Norsk Hydro and Elf Aquitaine are all conducting geological studies; and the Russians have been drilling on-shore since 1985.

Under the terms of the Svalbard Treaty, Norway cannot create or permit the establishment of naval bases or any fortifications, and the archipelago "may never be used for war-like purposes."

At the same time, nationals of any of the 41 countries that signed the treaty must be allowed in to undertake certain economic activities.

They can "carry on unimpeded all maritime, industrial, mining and commercial operations on a footing of absolute equality," according to a Norwegian White Paper on Svalbard. Norway's right to impose taxes is also severely restricted by the treaty, a fact that helps give Svalbard one of the lowest rates of income tax in the western world—4 per cent, plus 9.9 per cent social security.

American, Russian, British, Norwegian, Dutch and Swedish companies have all tried to make a go of coal mining in the high Arctic. (Longyear-



en was named for the American John Munro Longyear and his Boston-based Arctic Coal Company, which mined from 1910 to 1916.) Only the Norwegians and the Russians have stuck it out, but they have much more at stake than just coal. In the end only they have been willing to pay the cost of a permanent presence—to hold each other in check.

"We feel a certain wish from the Norwegian side to influence our life," says Sergei Lusan, Soviet vice-consul in Barentsburg for the past four years.

"We try to observe strictly all the points and paragraphs of the Paris Treaty and the mining code. Everything that goes beyond it we do not adopt."

Relations were tense late in the 1970s as the Norwegians began to assert their sovereignty and impose tougher environmental rules. The Russians also protested when Oslo decided to build an airport at Longyearbyen—it came into operation in 1975—and there were disagreements over manning the airfield. "The Russians wanted 22 people to attend to a Russian airliner landing once a fortnight," recalls Eldring. "We got it down to 5-6. Now it's only two."

"We had a lot of conflicts over air traffic control, environmental protection rules, safety for oil drilling, landing helicopters in national parks. It came from a more offensive Norwegian policy. Parliament realised we could

lose our grip on Spitsbergen. "Now it is much more relaxed. If the Russians still maintain they don't follow the rules, in practice they are following them."

Coal mining on Spitsbergen is scarcely a money-making proposition, but the interests of both the Soviet Union and Norway are as much political as economic in an Arctic region that has become a vital deployment area for the Soviet Union's most modern strategic submarines. The 500,000 tonnes of coal each produce a year at least helps to defray the costs of maintaining a presence.

Recent developments in military technology have turned the Arctic region into a vital deployment area for weapons systems that form part of the central strategic balance," says Torbjorn Froyens, former state secretary in the Norwegian foreign ministry. "The emergence of new generations of strategic naval missile systems capable of striking vital enemy targets from positions in Arctic waters, including ice-covered areas, underscores the geopolitical importance of the region."

The islands of the Svalbard archipelago lie at the southernmost edge of the ice-covered Arctic Ocean astride the access and exit routes of the Soviet northern fleet operating out of Murmansk, the Kola Peninsula north of the Arctic Circle, developed by the USSR into the world's largest naval base. The Kola Peninsula is a base for two-thirds of the Soviet submarine-based strategic missiles and about 50 per cent of Soviet "attack submarines."

The Soviet Yankee-class submarine, armed with 16 ballistic missiles, that sank in the Atlantic off Bermuda was probably operating from the Kola Peninsula.

The Svalbard islands—at 63,000 square kilometres a land area close to the Netherlands and Belgium combined, but a population of only 3,480—are in effect a demilitarised zone, but the archipelago's special status under the treaty gives both east and west the opportunity to check up on what the other is doing.

Such strategic considerations seem remote to the isolated mining communities brooding themselves during the transition of autumn, for the four months of winter darkness that follow four summer months of unbroken daylight. The islands of Svalbard—Spitsbergen is the largest—lie between 74 and 81 degrees north, on the same line of latitude as the northernmost part of Greenland and the Canadian Sverdrup islands; more than 1,000 kilometres north of the northern coast of Alaska. They are about as close as human habitation comes to the North Pole. The islands are mountainous, sharply indented by fjords and valleys, more than 60 per cent covered by glaciers. It is only a branch of the gulf stream that makes life tolerable. There are no trees. The environment is highly vulnerable, with the Arctic the extreme biological limit for life on earth.

Russians outnumber Norwegians by about two-to-one, with around 2,200 Soviet citizens in the two mining communities of Barentsburg and Pyramiden, and some 1,227 Norwegians in the Longyearbyen and Svea mining settlements. In recent years the Poles have also kept 10-12 scientists all year round at the isolated Hornumund research station on the south of Spitsbergen.

Whether it is the prospect of earning good money and paying minimal tax, escape from the rat race further south, or the pull of the overwhelming Arctic nature, many of those who stay on Spitsbergen are bitten by what the locals call "bacillus Svalbardensis," a fascination with the high Arctic which makes it hard to leave—except perhaps for some of the young would-be miners who venture up from the south attracted by the financial rewards, but are unable to take life underground.

In a cavern cut into the side of one of the main tunnels, padlocked behind double wooden doors, is a frosted black container, an outpost of the Nordic Gene Bank. Packed inside in small glass ampoules are sample seeds of important Scandinavian plants and crops, permanently frozen and stored; independent of power supplies in the permafrost rock safe from disease, genetic mutation and, perhaps, nuclear holocaust.

Few of the Norwegian miners have any experience in coal before they come to Spitsbergen. Many are students, fishermen, or farmers, in search of work and good money. By contrast, the Soviet workers are experienced miners, many from the mining districts of the Ukraine, but they are also there for the money. They earn double their last wage on the Soviet mainland, says Alexander Tkachenko, chief representative of the Soviets' Trust Arktikugol mining company in Barentsburg.

In Barentsburg, the Russian miners live a much more isolated life than the Norwegians in Longyearbyen, who now have the option of several flights a week to Oslo. Trust Arktikugol even runs its own farm, with pigs, cows and chickens, to help it through the six months of the year when no more supplies can get through by sea from the Soviet mainland. Until a hurricane blew down its greenhouse last November, it even grew its own tomatoes, onions and cucumbers—only 800 miles from the North Pole.

In Barentsburg the plain barrack-like buildings climb the mountain side, in a few irregular terraces, from the icy waters of the fjord, the blackened quayside, and the heaps of coal waiting for shipment to power stations on the Kola Peninsula.

Longyearbyen is different. There are more individual family homes and a thriving school with nearly 200 pupils. The painted wooden houses are imported from the mainland, but raised on pillars above the permafrost, their foundations disguised behind discreet wooden skirts.

The community has no centre. The buildings have followed the mine workings, strung out along the valley floor, connected by an umbilical cord of unsightly above-ground pipelines carrying all the services which cannot be buried in the permafrost. The glowering Longyear glacier fills the top of the valley like a frozen tongue. The inhabitants of Longyearbyen seldom move anywhere except by car—or snow-scooter. Snow-scooters outnumber cars by more than four-to-one, and the Yamaha Ski-doo agency is one of the few flourishing private businesses in a community otherwise run by the coal company or the state.

The local inhabitants do not often venture out into the mountains without a gun. "You can never be certain, polar bears are a danger," says Arund Soland, Store Norske's administrative manager. Bears occasionally wander into the settlement. "There is a high wall around the nursery school—both to keep the children in and the bears out."

Social contacts take place between the Norwegian and Russian communities, but they tend to be restricted to official gatherings, sports events and folklore evenings. A couple of weeks ago the Norwegians played the Russians at football in Barentsburg. "Folled by Boris," ran the headline in Svalbardposten, the world's most northerly newspaper.

The Long View

The more things stay the same

Richard Lambert finds that very little has changed in the behaviour of investors and speculators since first described in a book written nearly 300 years ago



JEEVES, the intangible butler, achieved some of his greatest coups through a deep understanding of the psychology of the individual. Stock exchange investors, by contrast, would do well to focus their attention on the psychology of the crowd.

Forget all the mumbo-jumbo about market efficiency and risk: ignore the endless outpourings of the fundamental analysts or the ravings of the market prophets. What really matters is an awareness of how greed and fear can drive rational people to behave in strange ways when they gather together in a market place.

"Another forerunner appears on the scene, earnestly trying to keep composed. He wavers as to how best to secure a profit, chews his nails, pulls his fingers, closes his eyes, takes four paces and four times talks to himself, raises his hand to his cheek as if he has a toothache, puts on a thoughtful countenance, sticks out a finger, rubs his brow, and all this accompanied by a mysterious coughing as though he could force the hand of fortune. Suddenly he rushes with violent gestures into the crowd, snaps with the fingers of one hand while with the other he makes a contemptuous gesture, and begins to deal in shares as though they were custard."

That extract is taken from the first book to describe the practices of any stock exchange: Joseph de la Vega's aptly named "Confusion de Confusiones," which was published in 1688. It is about the exchange in Amsterdam, then the financial centre of the world, and it is remarkable in two respects.

For one thing, it describes a market which had only been in existence for a few decades, but which was already extraordinarily sophisticated. You could buy on margin, trade in options

and deal in a variety of wildly speculative instruments. There was even a version of the "triple witching hour," when share prices went mad as the moment of settlement approached.

If this sounds familiar, so do a variety of investment precepts which are listed in the book. "Try this one for size: The expectation of an event creates a much deeper impres-

sion upon the exchange than the event itself. When large dividends or rich imports are expected, shares will rise in price; but if the expectation becomes a reality, the shares often fall; for the joy over the favourable development and the jubilation over a lucky chance have abated in the meantime."

Over the long view of nearly 300 years, we can see that very little has changed in the be-

• CONTENTS •

Finance: Commission for small investors	V
Travel: pre-season skiing special	XII
Diversion: Transatlantic shopping	XVII
Books: The story of the "It" girls	XVIII
Arts: Drama on the radio waves	XIX
Sports: The America's Cup races	XX

haviour and motives of investors and speculators. As Charlton Heston once observed, in an otherwise eminently memorable film, "It's all in the mind, Michelangelo."

Some people, for instance, are permanent optimists. "The bulls are like the giraffe which is scared of nothing, or like the magician of the Elector of Cologne, who in his mirror made the ladies appear much more beautiful than they were in reality."

Others take the opposite tack. "The bears, on the contrary, are completely ruled by fear, trepidation, and nervousness. Rabbits become elephants, braves in a tavern become rebellious, faint shadows appear to them as signs of chaos."

De la Vega has stern warnings against such excesses. "One has to pay attention to the different tides, and to trim one's sails according to the wind." He advises readers to be inclined to speculate for a rise and only occasionally for a fall in prices, because he says experience shows that the bulls are usually victorious.

His four principles for speculators are worth reprinting in full:

• "Never give anyone the advice to buy or sell shares, because, where perspicacity is weakened, the most benevolent piece of advice can turn out badly."

• "Take every gain without showing remorse about missed profits, because an eel may escape sooner than you think. It is wise to enjoy that which is possible without hoping for the continuance of a favourable conjuncture and the persistence of good luck."

• "Profits on the exchange are the treasures of goblins. At one time they may be carbuncle stones, then coals, then diamonds, then flint stones, then morning dew, then tears."

• "Whoever wishes to win in this game must have patience and money, since the values are so little constant and the rumours so little founded on truth. He who knows how to endure blows without being terrified resembles the lion who answers the thunder with a roar, and is unlike the hind who, stunned by the thunder, tries to flee."

Pundits today would probably modify the second principle a little, and place the emphasis more on cutting losses while letting profits run on. Otherwise the principles still look sound, especially the bit about goblin's treasures.

What would de la Vega's stance be on Throghmorton Street today? He was an unabashed bull, and would probably have been very long on high grade blue chips. He warns against being worried merely because prices are high compared with previous experience. The moment to run for cover comes when everyone is bullish, because then the slightest piece of bad news can send share prices skidding.

But trading on the stock exchange can be both difficult and dangerous, for it is a volatile place. "It is a quintessence of academic learning and a paragon of fraudulence; it is a touchstone for the intelligent and a tombstone for the audacious, a treasury of usefulness and a source of disaster."

First-time buyers in TSB shares should, perhaps, take note.

My extracts come from an abbreviated version of "Confusion de Confusiones," published by the Baker Library, Harvard Graduate School of Business Administration, in 1987 and I suggest—long out of print.

FRAMLINGTON

GROWTH RATES

The average annual compound rate of growth in the price of units (on an offer-to-bid basis) of each of our capital growth funds between launch and 1st October 1986 was as follows:

Fund	Launched	Growth
Capital	Jan 69	+15.1% p.a.
International Growth	Oct 76	+25.3% p.a.
American & General	Apr 78	+19.0% p.a.
American Timaround	Oct 79	+22.4% p.a.
Recovery	Apr 82	+24.7% p.a.
Japan & General	Feb 84	+26.1% p.a.
European	Feb 86	+45.6% p.a.

Every one of these Framlington funds has outperformed the FT All-Share Index, the Dow-Jones Industrial Average and the Standard and Poors Composite Index.

Each fund is fully described in the Framlington Unit Trust Guide 1986. For a free copy, send us this coupon:

To: Framlington Unit Management Limited, FREEPOST, London EC2B 2DL.

Please send me a copy of the Framlington Unit Trust Guide 1986.

Name.....

Address.....

FRAMLINGTON

Lawson works to earn the nation's pennies

THE CHANCELLOR of the Exchequer's annual salary is around £50,000—not much less than what a smart young euro-

high point, reached in April. The rationale for this strength is that the recent fall in sterling will further accelerate an already impressive rate of growth in profits and dividend payments.

After the rigours of Bournemouth and the Conservative Party conference, it was on the white tie and tails this week for the Mansion House Banquet on Thursday. No-one could seriously have expected Mr Lawson to make any radical policy statements on this occasion, and indeed he did not.

London

may well take up a significant slice of the offer, and foreign buyers will also do their stuff. TSB, for its part, has drifted sideways for much of the week.

The immediate question is whether the one percentage point rise in base rates, which the Government engineered on Tuesday, will be enough to meet the twin objectives of underpinning sterling and restraining the growth of credit.

But the cry of "too little, too late" is now to be heard from quite a number of analysts—perhaps from a majority. Even the optimists seem to think that base rates are likely to remain around the present 11 per cent mark for some months to come.

One reason is the growing unease about the outlook for inflation and economic growth being widely ignored. The Treasury argues that by delaying the move it was able to take a measured decision in an orderly fashion.

Until this setback, however, the City had responded quite well to the base rate move. It is true that sterling only managed the briefest of rallies after the event, but pressures in both the foreign exchange and the money markets had been easing noticeably, and long dated gilts had been relatively steady for much of the week.

Meanwhile equities continue to perform remarkably well. Prices have edged higher throughout the past five days, and the FT Actuaries All-Share Index is now within a few percentage points of its all-time

four former Exco colleagues are to join him on the B and C board. Mr Gunn plans to streamline the group's somewhat scattered range of investments, and to expand its stake in financial services—although he plans to move down the byways of the sector rather than into head-on competition with the financial giants.

The shares, which were languishing close to their low point for the year, have responded to the appointment in dramatic style. The group's market capitalisation has jumped by about a third—more than £150m—considering that Mr Gunn was already on the B and C board, is quite a premium to pay for a change of desks.

It all goes to show once again that promise produces much more excitement on the stock exchange than does achievement. This is a lesson which shareholders in Glaxo will know all about.

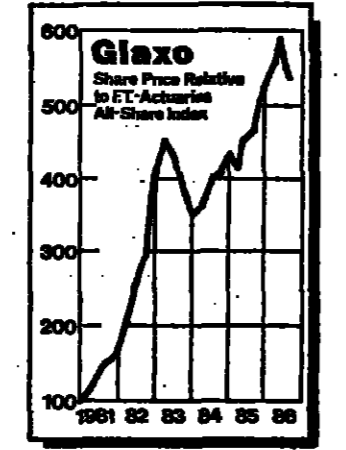
Its preliminary figures this week showed that pre-tax profits had jumped by about a half, which was slightly ahead of expectations. The reason for big capital profits on the group's fixed interest investments. The outlook is for further substantial growth over the next two or three years, with the market for Zantac now said to be the biggest selling drug in the world, continuing to expand briskly and good progress in the other drug products.

But all this good news has done very little for the share price, which has been looking distinctly soggy for some months past. Brokers James Capel are not cheerful about the prospects for the shares, pointing out that many investors have enormous paper profits and a disproportionately large stake in the company as a result of its past success, while competition for Zantac can only increase.

Greenwell Montagu disagrees: they say the present rating is simply too low for a company of Glaxo's quality and growth potential. That, of course, is what makes a market. Meanwhile, there has been much excitement in Manchester, where what looks to have been the mother and father of a boom room row at Renold, the engineering group, has ended with the abrupt departure of the managing director, followed by the sympathetic resignation of the non-executive chairman.

Renold put a brave face on its dismal short term performance at its annual meeting in the summer, but its share price has been telling a sorry story in the past few weeks. In the event, the announcement of the upheaval left the shares sharply higher on Thursday. Better out than in, as they say in the North.

Richard Lambert



HIGHLIGHTS OF THE WEEK

Table with columns: FT Govt. Securities Index, FT Ordinary Index, BOC, British and Commonwealth, Burton, Caledonia Investments, Consolidated Gold Fields, English China Clays, Glaxo, Hargreaves, IBL, Monotype, Moorgate Group, Pilkington Bros., Property Hldg. and Invest., Ratners, Reed Executive, Sears, Wade Potteries. Columns include Price Change, 1986, 1985, and brief news items.

'Wet and Wild' at Pavion

THE NAME Sangers has a certain resonance for the USM. The first company to bear that name joined the market through a controversial "demotion" from the main market.

USM

in value to 84p in the year since Peace's emergence. Yet the saga of Access Satellite International, the USM-quoted company with which Jeffrey Peace was concerned before Sangers Photographic, is rather less heartening.

But the critics were correct. Access made some progress but not as much as the prospectus had promised.

From this deal Acker not only receives simple bonuses but a salary of £30,000, payable even after his death. The reverse takeover and the subsequent reorganisation of Pavion's US manufacturing, wholesaling and marketing activities has left the company with unhealthily high borrowings.

B&C Shipping should ride the storm

BRITISH & Commonwealth Shipping hit the headlines this week when Mr John Gunn took over as chief executive from Lord Cawser. Next Thursday it will be in the news again when it reports a downturn in pre-tax profits of about 25 per cent for the half year to June.

ments made during the period, but the range is from £25m to £30m before exceptional items compared with £35.2m last time.

engineering company, which has been the subject of much recent bid activity, will announce its preliminary figures on Thursday. The company forecast pre-tax profits of £18m in the course of the hostile bid from Evered Holdings.

Steady but unspectacular growth is expected from HIGHLAND DISTILLERIES, the independent whisky group, when it announces its full year results on Monday. Pre-tax profits are likely to rise from last year's £9.5m to around £10.75m.

Diamonds regain their lustre

EVERYTHING'S coming up roses, as they say, for De Beers. Well, almost everything—being based in South Africa doesn't help matters these days. Still, the diamond market can now be said to be fully recovered—if not actually better—after six years of recession while the group's income from its gold interests continues to rise.

On the gold front the price of the metal has been softening a little, but at around \$420 an ounce it still means high earnings for the world's mines. Those in South Africa have the added bonus of a weak domestic currency.

It has resulted in the price they receive for this dollar commodity rising to record levels of around R30,000 per kilogramme in the September quarter, equivalent to some \$370 per oz.

Results due next week

Table listing companies and their dividend announcement dates. Includes companies like Highland Distilleries, International City Holdings, Investment Capital Trust, etc.

Table titled 'GOLD MINE NET PROFITS' showing quarterly and annual profits for various mines like Beatrix, Blyvooruitzicht, Bracken, Buffelsfontein, etc.

COMPANY NEWS SUMMARY

TAKE-OVER BIDS AND DEALS

Table listing takeover bids and deals with columns for Company, Value of bid per share, Market price, Price before bid, Value of bid £m, and Bidder.

PRELIMINARY RESULTS

Table showing preliminary results for various companies with columns for Company, Year to, Pre-tax profit (£000), Earnings per share (p), and Dividends per share (p).

INTERIM STATEMENTS

Table showing interim statements for various companies with columns for Company, Half-year to, Pre-tax profit (£000), and Interim dividends per share (p).

SCRIP ISSUES

Fisher, A.—One for three. Rights issues for various companies including Rase Arrow, Bryant Holdings, etc.

OFFERS FOR SALE PLACINGS AND INTRODUCTIONS

Ewart New Northern—Placing 1.1m shares at 110p. Rotunda—USM placing 2.35m shares at 95p.

EUROPEAN BUSINESS FORUM. Italy and the International Economy. ROME, 10 & 11 November 1986. Includes contact information for the conference.

Handwritten scribble at the bottom of the page.

دور العمل والادارة

Confusion reigns

US SHARE prices have moved ahead this week, despite a weak bond market, a slew of sluggish economic statistics and very disappointing earnings from IBM, the stock market's bell wether.

The US credit markets were closed on Monday for the Columbus Day holiday, but during the rest of the week US bond prices headed lower and short term interest rate drifted higher. There has been plenty of economic news for the financial markets to digest but at the end of the week analysts remain confused about the strength of the economy and the likelihood that the Federal Reserve may step in and ease its monetary grip.

By Thursday evening the Dow Jones Industrial Average was over 80 points above its end-September low point of 1755.20 and just 5 per cent away from its all-time high, reached six weeks ago. However, analysts remain suspicious of its recent strength.

"There could be some modest trading rallies over the next several weeks but we continue to expect a test of the recent low of 1755 on the Dow Industrials," says Merrill Lynch's latest market letter, which concludes that "a deeper reaction is probable before the bull market regains some of its earlier vigour."

For the moment, however, Wall Street is monitoring the third quarter results from corporate America, and analysts appear to be generally en-

Wall Street

couraged by a steady stream of results which are up to and above expectations.

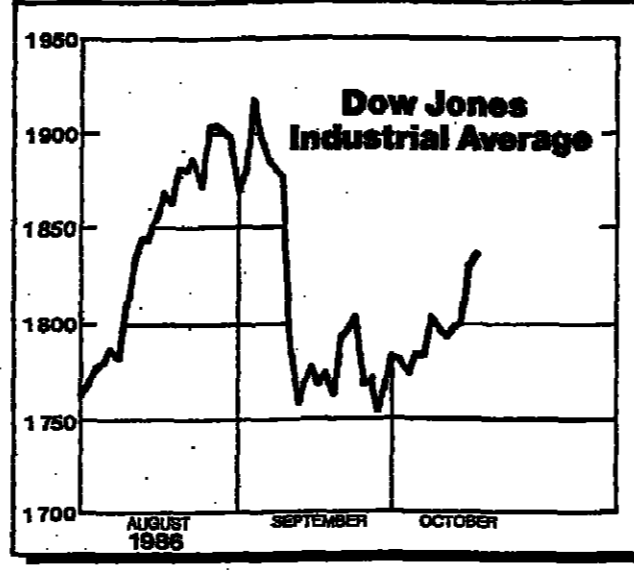
The big exception is IBM which spoiled many analysts' Columbus Day holiday by reporting a 27 per cent drop in third quarter net profits to \$1.76 a share. For the nine months, IBM's earnings are 12 per cent down at \$5.53, and Carol Marzore, Morgan Stanley's IBM watcher, has clipped her fall year earnings estimate for IBM by another 25 cents—to \$8.75. This compares with \$10.77 in 1984 and \$10.87 last year.

as badly, most noticeably Digital Equipment, which reported a more than doubling of its profits to \$1.37 a share in the third quarter. Its shares have risen to close to \$6 this week to \$96½ and it is now being accorded star status by Wall Street analysts who follow the US computer industry.

One sector which is being helped by the dramatic decline in the dollar over the last year is the drug companies, and several of the best-known names, led by Merck, which boosted its third quarter net income by 27 per cent to \$1.24, have turned in impressive performances this week.

USX Corporation, which is being stalked by Carl Icahn, the infamous corporate raider, announced plans to spinoff its profitable chemicals operations for more than \$500m. This is the first of a series of moves which are expected to be announced next week to fight Mr Icahn's unwanted attention. USX shares have been slipping this week and by yesterday morning they were being quoted at \$26, compared with \$27½ at the end of last week.

BankAmerica shares, also slipping, were down at \$14½, despite the news that Tom Clausen, the former head of the World Bank, had been recalled to take control of the troubled west coast banking giant, which is facing an unsolicited \$18 a share bid from First Interstate Bancorporation, a smaller but more profitable Californian



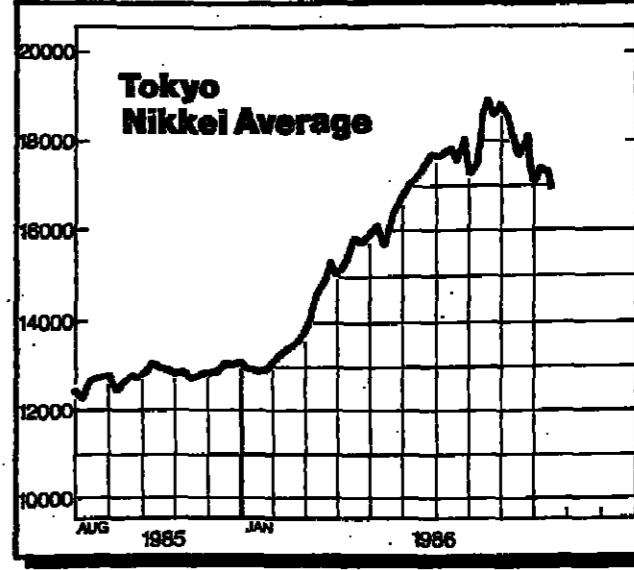
Summer leads to the Fall

THE PARTY in Tokyo looks to be over. Everyone had a great time but now people are mostly selling or staying at home. After all the fun of the first nine months of the year, it's positively depressing to talk to brokers in Kabutocho these days.

The closely-watched Nikkei Average slid 925 points this week to 16,700, putting it about 12 per cent off its peak reached in late August. Volumes have dropped to funeral levels, from 2.2bn shares changing hands daily to around 350m on average this week.

Last month brokers were saying the drift downward was only temporary; now more gloom prevails. The frustrating part of it for Tokyo investors is that the factors which helped push the market through the roof—sheer weight of money—remains largely intact.

Japan's M2 money supply figures, including cash, deposits and CDs, for example, grew 8.9 per cent in September over a year earlier. Also last month the government unveiled its Yen 3,600bn domestic spending package, up Yen 500bn on last year's package and estimated to tack 0.5 per cent onto GNP growth over the next 12 months.



Stories vary on why the psychology of the market has changed. But a major factor appears to be the demise of the shingunri, the young yuppie-style Japanese brokers who last summer turned up the volumes to full blast. Today there is a notable lack of Japanese brokers pushing stocks, particularly among the big four: Nomura, Daiwa, Yamaichi and Nikko.

No one likes to be quoted about it, but it is understood that the Ministry of Finance and the Bank of Japan began making noises about the state of the market last month. Perhaps coincidentally, officials of the MoF showed up for routine, but unscheduled, inspections of the records of the major brokers. Rumours are many and colourful about what they found, but at the very least the move appears to have been enough to slow down the young stock churning to a near standstill.

"The leaders backed off, which induced nervous selling, which led to strategic selling, which in turn resulted in margin calls for many investors," said one foreign broker yesterday.

To many brokers, the correction in the Tokyo market has been welcome. After all, shares were changing hands at an average price earnings ratio of 58 at the peak, compared to 32 about a year ago. And all the excitement was going on while Japan's economy was moving into lower gear because of the effects of the stronger yen on export margins.

"It's really the best thing to happen all year," crowed another broker yesterday. "The leaders went much too far and created a dealing market. The market has never had much reality to reality, but recently it was openly mocking reality. Reality, it seems, has had its revenge."

Foreigners largely checked out of the Tokyo market before the worst of the recent falls, scoring a major victory in a very tricky market. Domestic investors, with just as much cash as ever, are switching from individual stock picking to investment funds and overseas securities.

As a result, investment trusts this month have already swelled to Yen 820bn, compared to Yen 870bn for the whole of September. The trusts, in the meantime, are keeping much of this money on deposit waiting for the market to show more of a trend. Cash ratios at domestic banks are now at around 30 to 40 per cent. Meanwhile, purchases of foreign bonds apparently hit a new peak of \$11.7bn in September.

Brokers remain split about the future of domestic stock investment, over whether or not to buy those companies who will benefit from the money Japan says it plans to spend on roads, houses and public works projects over the next few years. Most feel these expectations have been well discounted, others say the spending has hardly begun so there is more to come.

As for those shares that have fallen out of bed, the damage has not been too horrible to date. Tokyo Electric Power, the superstar stock of the summer, is about ¥1,000 off its peak of ¥7,600, and others are not too worse or better off.

Not surprisingly, some of the stocks most hit by the recent slippage have been the big Japanese brokers. Daiwa and Yamaichi have already fallen by about 30 per cent, while Nomura has lost 25 per cent of its value.

Tokyo

WHEN A commodity price makes a substantial move for which the fundamental (supply and demand) justification is not immediately apparent, the standard explanation is that it is the result of "technical" factors.

This usually means buying or selling by the increasingly powerful futures investment funds based on "chart signals."

A recent example of this had been the London robusta coffee price, which has been surging back and forth like an over-enthusiastic metronome, without making significant progress in either direction. The average daily price movement this week has been around £50 a tonne but the net result has been a gain of less than £60.

In the absence of fundamental developments, analysts have attributed this phenomenon to the activities of investment fund managers whose charts have been giving out "buy" and "sell" signals with monotonous

The frailty of the robusta market

regularity, but little consistency.

As London's only truly volatile commodity futures market at present, it is natural that coffee should be the main focus of "chartist" attention outside the financial futures markets. But this is still a source of some irritation to the more traditional traders who like to concentrate on fundamental factors.

"The trouble with these funds," one analyst commented recently, "is that they all tend to buy and sell at the same time."

It is a common complaint of the fundamentalists that chart predictions tend to be self-fulfilling because so much money is invested on the strength of the same price data analysed with broadly similar techniques. And they resent the fact that

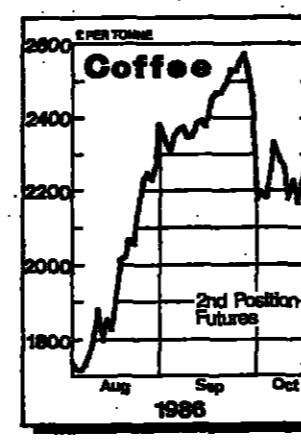
fundamental factors are so often overwhelmed by these "technical" factors.

"But fundamentals always come through in the end," says Peter Swete of Sabre Fund Management. Although his company's fund managers are basically technical operators they

What the fund managers are looking for in a market, according to Mr Swete, is liquidity and volatility. The liquidity test rules out all London's commodity markets except coffee, cocoa and sugar, so Sabre's London operations have been concentrating on the financial futures and most of its commodity business is conducted on the US markets.

Larry Hite, managing director of Mint Investment Management Company, an ED & F Man subsidiary, agrees with Mr Swete on the importance of liquidity: "I can't go in if I can't get out," he explains. But he says he is not attracted by volatility. "I'm in the business of risk management... Gambling is exciting, but I don't get paid to get kicks."

Whatever the traditionalists think of them, the investment



funds are undoubtedly crucial to the future prosperity of London's commodity markets, the business they represent is simply too big to be ignored.

Current signs are not good, however. Although he does not rule out the possibility of a short term rally (helped by higher interest rates) Mr Swete says the general feeling is that commodity prices will drift lower in the longer term. That would not help the liquidity which London's futures markets need so desperately.

Mr Hite is not very optimistic about London's commodity prospects either. "The tin crisis has hurt London in America very much," he says.

He stresses the importance of the smaller investor, as represented by the funds. "London needs to get more consumer oriented," he insists, "and it has got to provide liquidity."

If London's commodity futures do not recover, however, Mr Hite will shed few tears. "I don't see cocoa. I don't see coffee," he admits. "I see numbers and I see risk. I'm only interested in money."

Richard Mooney

around 30 to 40 per cent. Meanwhile, purchases of foreign bonds apparently hit a new peak of \$11.7bn in September.

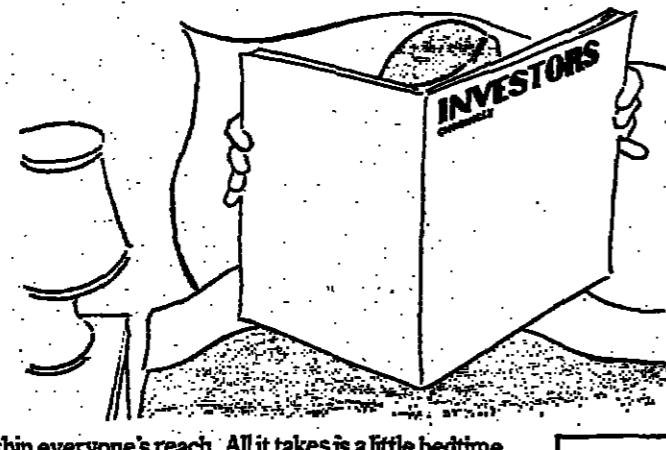
Brokers remain split about the future of domestic stock investment, over whether or not to buy those companies who will benefit from the money Japan says it plans to spend on roads, houses and public works projects over the next few years. Most feel these expectations have been well discounted, others say the spending has hardly begun so there is more to come.

As for those shares that have fallen out of bed, the damage has not been too horrible to date. Tokyo Electric Power, the superstar stock of the summer, is about ¥1,000 off its peak of ¥7,600, and others are not too worse or better off.

Not surprisingly, some of the stocks most hit by the recent slippage have been the big Japanese brokers. Daiwa and Yamaichi have already fallen by about 30 per cent, while Nomura has lost 25 per cent of its value.

Carla Rapoport

Make money. Get into bed with an expert.



Stockmarket success is within everyone's reach. All it takes is a little bedtime reading.

Every Friday, Investors Chronicle gives you the information you need to make your investments more rewarding.

What to buy. What to sell. Stocks to watch. Trends to note.

Whether the market is your job or your joy Investors Chronicle has the facts. Analysis to back up your hunches—bright ideas on new opportunities—and solid advice on new share launches.

You may be an experienced old hand, fresh from success with TSB, or a novice considering a first investment in British Gas. Whatever your goal, you'll find Investors Chronicle an informative and enjoyable read.

And there's our weekly 'Absolute Beginners' guide for new stockmarket investors so you can learn the ropes as you go along.

Investors Chronicle has a surprising amount on personal finance and savings too. How to get a bigger income—pay less tax. How to pick a winning Unit Trust. How to build up your savings faster.

So if you want to make your money work a little harder—without doing so yourself—here's a tip.

Pick up a copy of Investors Chronicle this Friday from your newsagent. For just £1 you'll see how it feels to make a bit of money. It's easy.

Will British Gas be as good as TSB?

Thousands of investors made money on the TSB share sale. Soon there's another opportunity—the sale of British Gas. Find out how to invest in it with the Investors Chronicle 'Beginners' Guide to the British Gas Share Offer.

The Guide answers all the key questions—'What's in it for me?'. 'How much can I hope to make?'. 'Are Gas shares a better bet than Building Societies or other shares?'. It also explains in simple language how to buy your shares—and looks at the lessons investors can learn from British Telecom.

The Investors Chronicle 'Beginner's Guide to the British Gas Share Offer' is just 60p from newsagents. Make sure you get your copy today.

A FIXED PRICE OFFER OF A NEW UNIT TRUST

Offer Price fixed until November 7th 1986

Allied Dunbar announce THE LAUNCH OF THE Worldwide Asset Value Trust

“A unique new trust—building on a proven formula”

A strong investment must be built on a broad base. The Worldwide Asset Value Trust is built across an extremely broad base of investment—company assets around the whole world. It is a new unit trust which sets out to combine the growth potential of a conventional unit trust—with the security of an asset base.

Many companies are undervalued on the share markets—simply, the value of their assets exceeds their quoted value, due often to downturns in profitability. By investing in these companies remarkable growth is possible as such downturns can be reversed by new management, a takeover or a change in their marketplace. In the meantime, the real value of their assets acts as a potential safety net.

Allied Dunbar successfully developed this kind of asset value fund—our UK Invested Asset Value Trusts show a net growth of 100% from launch in January 1984 to September 1986. Now, the time is right to take this already proven concept one step further. By searching our asset-based situations throughout the world our fund managers aim to provide a very broad investment base to offer the prospect of significant capital growth. When appropriate, they will seek to enhance that growth by investing in secondary markets (such as our own USM) and in recovery or take-over stocks. And now you have the opportunity to invest in the very beginning of this new fund at a fixed price of 25p per unit—if you act before November 7th 1986.

ABOUT ALLIED DUNBAR
Established in 1934, Allied Dunbar Unit Trusts has a track record of over 50 years of successful investment management. As one of the founding companies of the unit trust movement (and today one of the very biggest in the field) we can demonstrate an impressive record of solid and consistent growth.

We are part of the Allied Dunbar group which, with over £4 billion in funds, managed on behalf of over a million clients can now claim to be one of the most substantial financial services groups in the UK.

YOUR INVESTMENT IN WORLDWIDE COMPANY ASSETS
The Worldwide Asset Value Trust is a unique opportunity for you to enjoy the prospect of maximum capital growth through managed investment in international markets. Suitable for the investor with a minimum of £1,000 to invest, the new fund is an ideal core holding for the international content of any portfolio.

Remember the price of units and the income from them can go down as well as up.

Also, past performance is not necessarily a guide to the future. In view of this your

FIRST PUBLIC OFFER

WORLDWIDE ASSET VALUE TRUST

A fixed price offer open until November 7th 1986.

Please post with your cheque to: Allied Dunbar Unit Trust Dealers, FREEPOST, Swindon, SN1 1LX.

I/We wish to invest £_____ in the Allied Dunbar Worldwide Asset Value Trust at the fixed price of 25p per unit (minimum £1,000) and enclose remittance payable to Allied Dunbar Unit Trusts plc.

If you wish to have net income re-invested please tick box:

This offer will close on November 7th 1986.

Please the close of this offer, units will be available at the daily quoted price.

I/We confirm that I/we are aged over 18. Joint applicants must complete details and sign separately. BLOCK CAPITALS PLEASE

(Surname) Mr/Ms/Miss _____
First name(s) _____
Address _____
Postcode _____

Signature _____ Date _____

JOINTHOLDER (Surname) Mr/Ms/Miss _____
First name(s) _____
Signature _____ Date _____

Are you an existing client of Allied Dunbar? Yes No

Name/address of your existing financial advisor _____

AFV/18/10

ALLIED DUNBAR
Allied Dunbar Unit Trusts plc
Registered in England No: 263988
Registered Office: Allied Dunbar Centre, Swindon, SN1 1EL.

INTEREST RATES: WHAT YOU SHOULD GET FOR YOUR MONEY

Table with columns: Quoted rate %, Compounded return for taxpayers at 29%, 45%, 60%, Frequency of payment, Tax (see notes), Amount invested £, Withdrawals (days). Rows include CLEARING BANK, BUILDING SOCIETY, NATIONAL SAVINGS, MONEY MARKET ACCOUNTS, and BRITISH GOVERNMENT STOCKS.

* Lloyds Bank. † Halifax. ‡ Held for five years. § Source: Phillips and Drew. ¶ Assumes 4 per cent inflation rate. 1 Paid after deduction of composite rate tax, credited as net of basic rate tax. 2 Paid gross. 3 Tax free. 4 Dividends paid after deduction of basic rate tax.

THE HALIFAX Building Society announced yesterday it was delaying a decision about making any changes in its interest rates until next week. Although the clearing banks' base rate was raised from 10 to 11 per cent on Tuesday, the society said there was continuing uncertainty about the short-term trend in interest rates (with City sources widely predicting another increase shortly) so it has decided to wait until next week for a more settled picture to emerge.

National Savings, which normally tends to follow moves by the building societies, has also not changed its rates so far. However, the rise in the base rate has increased the return paid on investments in interest-paying bank accounts and on British Government stocks.

Switch time

THE PROSPECTIVE rise in mortgage rates may only be temporary, but it could cause problems for those who have borrowed up to the limit of their incomes. Unlike other deferred interest, low start, mortgages, there is no rise in the interest rate charged. Loans based on up to three and a half times your annual income will be available. At the same time borrowers will be able to self-certify their income on loans up to 70 per cent of the value of the property being bought. This is aimed at helping people working on overtime or shortly expecting a considerable income rise. Mr Wishart says the ability to switch to a fixed, instead of a variable interest rate, is technically called a "drop-down" loan. This means that if you think interest rates are on an upward course you will be able to choose to a fixed rate for a period of either three or five years at the rate being quoted at the time by the lender—currently 11.50 per cent. The variable rate will be based on the Bank of England's base rate set by the leading building societies and banks—which, John Charcol expects, will rise to 12 or 12.25 per cent very shortly.



Now, Bill Stuttford of Framlington feels it is time to reassess the potential of financial stocks worldwide. In launching the Framlington Financial Fund, he sees two major beneficial influences for this sector. One is the low inflation, low interest rate environment similar to that of the early 1980s. The other is that the major financial markets in the UK, US and Japan are undergoing considerable change—including the Big Bang in the UK. The general aim is to make them more open to international competition and in this shake-up, Stuttford feels, there will be splendid opportunities for the astute fund manager to capitalise. Initially, the Framlington fund will be invested 45 per cent in the US and 50 per cent in the UK, with the balance in Japan and Europe. However, the emphasis will be on a global sector approach rather than a geographical split, with a third in banking, another quarter in life and fund management companies, and a further quarter in general insurance shares. Minimum investment is £500, with charges 5 per cent initial and 1 per cent (plus VAT) renewal. There is an insurance bond vehicle for units linked to Gresham Unit Assurance. Jumping on another topical band wagon, Framlington will take TSB letters of acceptance as whole or part payment for units, the shares being sold free of commission at the price ruling when the renounced letter is received. YOU would hardly think that this year's Budget contained provisions supposedly dampening down on property-based business. Expansion Schemes judging by the latest offering from Johnson Fry. The scheme—the third from Johnson Fry in three weeks—seeks to raise a maximum of £1.7m by November 18 in Country Resort Hotels. Funds raised will be used in the first instance to exercise an option to acquire, refurbish and relaunch the Bolney Grange Hotel in Hockstead, West Sussex, and then buy other hotels in the south east. Management of the new hotel, to be called Hockstead Resort, will be operated under a contract with Resort Hotels, Robert Field, managing director of Country Resort, and his family. The £1.4m investment in Resort Hotels, where he is also managing director, Mr Field is to take a £25,000 personal stake in Country Resort on the same terms as investors. The minimum subscription of £850,000 for the scheme is underwritten. Minimum investment is £1,000.

Large advertisement for 'The Stock Exchange' featuring the headline '500 smaller businesses' and a list of numerous company names such as A & G SECURITY ELECTRONICS, AMRIT INTERNATIONAL, and many others.

Chasing after decent issues

NEW ISSUE activity on the stock market has recovered from its late summer lull, but recent debuts have proved no more a quick route to prosperity than those of June and July. In spite of the halcyon and heady premium attracted by the TSB flotation, the accompanying table shows that care still needs to be exercised in spotting winners. TSB apart, there have been only five really strong gainers among the 15 recent issues: another five are flat or down, and the rest are on quite modest premiums. By far the worst of the latest batch has been European Home Products, which came to the market last month with interesting plans for developing the hitherto loss-making Singer retailing network in Europe. EHP's flotation would probably have gone quite well, but Press revelations about the previous business involvements of its chairman undermined confidence in the issue and it was badly under-subscribed. The share price has yet to recover from the 11 per cent discount at which it ended first-day dealings, and there will have to be more than one set of sparkling results before confidence is restored. The other poor performers are all USM placings. Newage Transmissions, a gearbox and axle supplier, Euro Construction, a contracting and plant hire company, and Citygrove, a shopping centre developer, all failed to excite the market and their shares are flat, or nearly so. Radamec, a high technology defence contractor, might have looked a better bet especially with the backing of Brothers and the doughty Caszove as sponsors and brokers respectively—but memories of the great high-tech shake-out proved off-putting and its shares have barely moved. USM placings leave such little stock available to the market that when they do prove popular, the supply/demand imbalance tends to see them take off like rockets. Four of the big gainers among recent new issues—Creighton Laboratories, Local London, Great Southern and Miller & Sant-house—are clear examples. Creighton Laboratories, this week at a premium of over 50 per cent to its 130p flotation price, makes natural beauty products, was probably the former USM high-fiber Body Shop's biggest customer, that gave its shares such a lift. Local London's rapid rise is less easily explained: the company specialises in buying commercial premises and turning them into small office complexes, but clearly the market reckoned that the company had sufficiently attractive a niche to warrant a 59 per cent rise in its flotation price of 135p.

The overnight parcel delivery company, Interlink, is the five hundredth company to come to the Unlisted Securities Market. To put it another way, since the market opened in 1980, more than one company a week has come to it for the capital it needs to grow. And to put it another way again, in under six years

capital to some of Britain's younger, faster-growing and more progressive companies. Considering that, when we opened the market, it was a completely new and untried idea, it would be fair to say that its development has exceeded all expectations. Or, in a phrase: that, like



Table with columns: Company, First dealings, Issue price, Price now. Lists recent issues like Broad Street, Yorkshire TV, Creighton Laboratories, etc.

FINANCE & THE FAMILY

Nikki Tait on commission rates

Nightmares ahead

BIG BANG has been landing with an unpleasant thud on small investors' doorsteps this week.

With just over a fortnight to kick-off, stockbrokers are starting to notify private clients about their dealing charges after October 27.

For full portfolio management, clients will pay exactly as at present. But if you simply want a brief consultation before delivering your order, there will be an intermediary "QuilterSelect" service.

Table with 2 columns: Commission %, Band £. Values range from 1.65% to 0.4% and £7,000 to £170,000.

The tables with this article are far from comprehensive—but they are indicative, both of the thinking at large City firms, country brokers and their new rivals, the financial conglomerates and US-style discount brokers.

At all levels, the dealers are trying to separate clients who simply wish to deal from those who want advice. For advisory services, most brokers are sticking close to current commission rates—in many cases simply smoothing the present structure downwards on more sizeable bargains.

The catch is the trend towards higher fixed fees on top. At the moment, it is the larger City firms who are taking this route—but many country brokers admit privately they are also investigating fixed fee possibilities.

But perhaps the most interesting structure belongs to Quilter Goodison. In its efforts to woo clients away from lengthy chats with hard-pressed fund managers, the firm has introduced three, rather than two tiers, of service.

Table with 2 columns: Bank, Dealing-only rate. Includes Lloyds and Midland.

Table with 2 columns: Broker, Dealing-only rate. Includes Discount Brokers and International (UK).

FINANCIAL TIMES BOOKLETS. The following booklets are available from the Financial Times. Capital Gains, The key figures to calculating your tax. £4.50.

Perhaps the bravest man lever knew... and now, he cannot bear to turn a corner. EX-SERVICES MENTAL WELFARE SOCIETY.

SHARE-BUYING CHARGES POST-BIG BANG

Table with 4 columns: Broker, Advisory rate, Dealing-only rate. Lists firms like Kleinwort Greaveson, de Zoete, Hoare Govett, Quilter Goodison, Henry Cooke Lumsden, Wood Mackenzie, National Investment Group, Allie's Provincial Securities, National and Provincial Building Society, Stock Beech.

So who, if you are prying costs to the minimum, will be the cheapest? The answer depends partly on the size of bargain—but on anything over £2,500 it looks as if DBI, the first discount brokers to set up shop in London, will have the edge.

Make no mistake—the difference between the costs of the dealing-only services is wide. The same £3,000 bargain could cost as much as £49.50 or as little as £25—a difference compounded when the investor pays VAT on top of the basic commission cost.

What, though, is to stop the canny private client from being an advisory client with one broker, yet doing a good portion of his business via a dealing-only service? Having chingwagged with his advisory broker, he asks to think about the advice—and promptly deals on the cheap.

Most brokers—like Hoare Govett or Henry Cooke Lumsden—aim to prevent that happening in-house by insisting that clients can belong only to one or other scheme.

scales should not be regarded as God-given. Your broker may not advertise the fact, but post-Big Bang negotiation will not be the sole prerogative of institutional clients.

Advice to the unwary abroad in the City, or

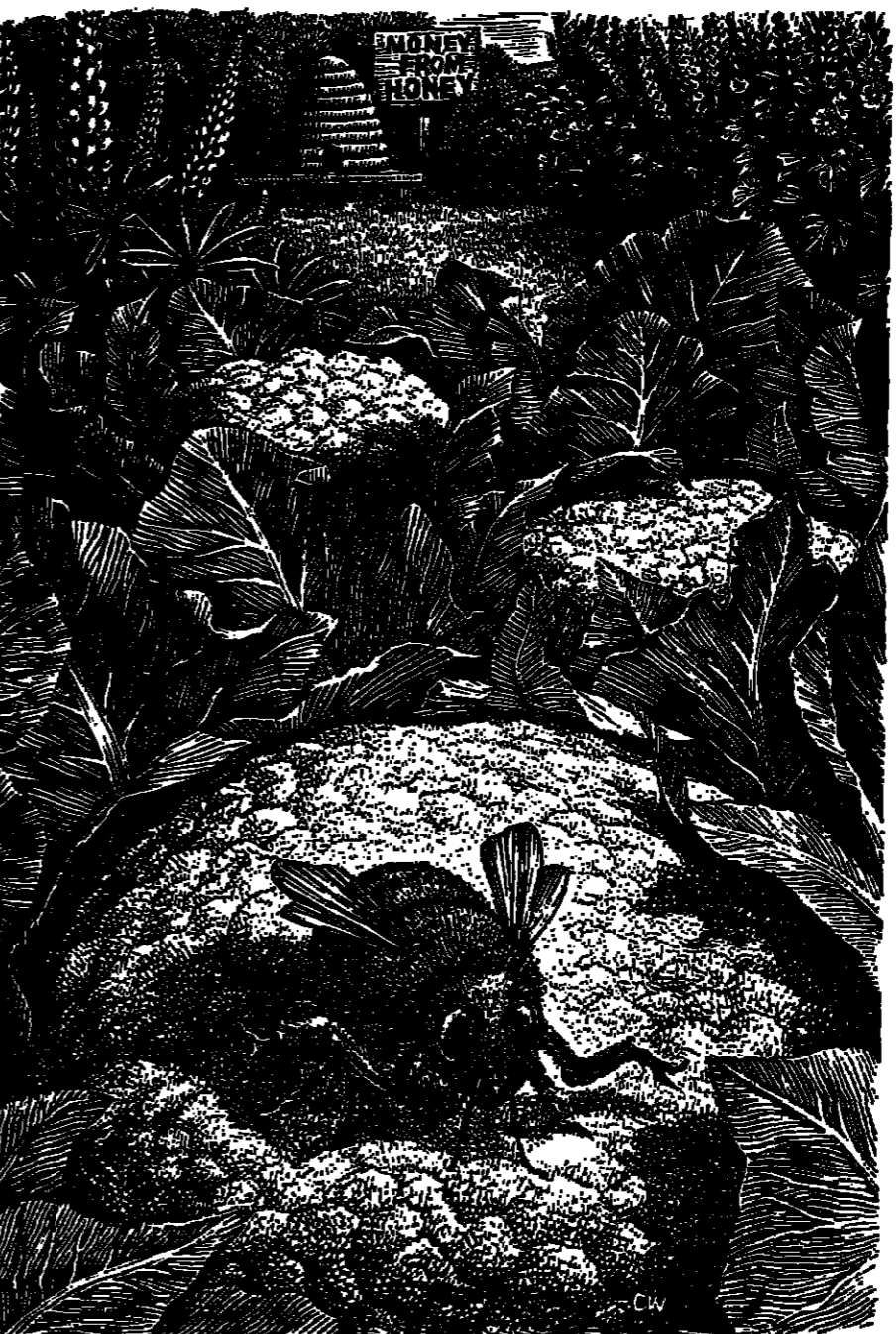
HOW A YOUNG UPWARDLY MOBILE BEE FELL FOUL OF A DASTARDLY VEGETABLE PLOT.

It had been the very essence of an English summer's day. Buckets of rain, a skittering of sleet, massed ranks of cloud. But now the rain had stopped. A segment of sun peeped through. The lawn sparkled like a jeweller's window.

Perched on a branch high above the flower beds, he mocked their hollyhocks, scorned their cornflowers, chuckled at their honeysuckle. For, lurking behind the cold frame at the head of the garden were the biggest flowers he'd ever seen.

On whirring wings, he divebombed the first enormous flower head. He sniffed the air there was no bouquet. He rummaged for the nectar, delved deep for the pollen.

The City, too, has its quota of people with harebrained schemes for extracting uranium from Arctic sleet or honey from cauliflowers. Naturally, they all come with promises of positively gargantuan returns.



For details of our ten unit trusts, please write to: The Client Services Director, Mercury Fund Managers Ltd, FREEPOST, London, EC4B 4DQ, (01-280 2800) or contact your usual financial adviser.

MERCURY UNIT TRUSTS Investment by Mercury Warburg Investment Management Ltd.

ADVICE & IDEAS

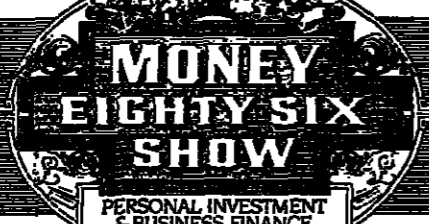
OVER 260 LEADING ORGANISATIONS OFFER 4 DAYS OF EXPERT

YOU CAN'T

AFFORD TO MISS.

FINANCIAL INTERMEDIARY & EVERYONE RUNNING A GROWING BUSINESS.

- How to invest a lump sum.
- Are Off-Shore Investments for you?
- Do you need Life Insurance?
- Selecting the best Mortgage.
- Retirement Planning—when to start, how to do it.
- How to invest in Unit Trusts.
- How to avoid Capital Gains Tax.
- Pensions for the Self-Employed.
- How to pay School Fees.
- What are Investment Trusts?
- Alternative Investment ideas—Property, Wine, Antiques, Precious Metals.
- Is Investing in Commodities worth considering?
- Wills—do you have one—is it financially sound?
- Using new technology to make more profits.
- Is PEP Management a business to be in?
- How to raise working capital.
- Equipment Financing—how to do it?
- Stock market Flotations—full listing/USM/third market.
- Business and Personal Insurance—whose is best.
- How Employee Share Option Schemes work?
- Management Buyouts/Partnership Break-ups—what to do.
- The Financial Services Bill and its impact.
- Can you improve your cash management.
- How to choose your Stockbroker.
- Finance and the married woman.



MONEY 86 opens at London's Olympia on the 30th October until 2nd November. Four days of expert advice and ideas in a relaxed and informal atmosphere, from over 260 leading financial and investment organisations and personalities.

- FREE Show Catalogue and Investment Guide.
- Big Bang explained in one easy lesson.
- FREE Daily Seminars to all visitors (seats allocated on a first come first served basis).
- Specialist Advice Centres on Unit Trusts, Financial Management Services, Futures and Options and Off-shore Investments.

OPENING TIMES
THURSDAY TO SATURDAY 11 A.M. TO 7.30 P.M.
SUNDAY 11 A.M. TO 5 P.M.
£4.00 ENTRANCE FEE. O.A.P.S. £2.00.

MONEY 86 MANAGEMENT: THE FINANCE & INVESTMENT EVENTS LTD., 243-245 LOWER MOULAGE ROAD, READING, RG2 7WJ, UK.

Eric Short on the advantages of taking efforts to repel burglars

Keep guard on your own manor

AT LAST insurance companies are coming to grips with the question of rewarding careful householders with lower premiums for their house contents insurance.

There's been the bug-bear of insurance companies operating in the UK, particularly thefts from homes—most of which are soft targets for burglars. Last year companies paid out £20m on theft claims from homes and a further £27m on all risks policies.

Insurance companies have been tackling the problem in the classical manner—putting up premiums. In the high risk inner city areas premiums have doubled or even trebled.

Now the companies are looking at the other side of the financial equation by seeing how they can bring down claims costs; in particular reduce the number of theft claims by making householders more security-conscious.

The problem facing the insurance companies is that the cost of checking out security measures taken by individual householders more than outweighs the premium reductions that could be given.

Some, like Royal Insurance and Sun Alliance, have concentrated efforts on up-market houses where the values of the contents is likely to be high. But Legal and General, with its new Homesafe policy, has gone down market. It has gone back to basics and considered what factors are likely to deter the opportunist thief, responsible for nine out of 10 burglaries.

Basically this thief requires three conditions—easy access to the house, the likelihood that the house has enough high valued items to make the break in worthwhile and time to

search without fear of interruption. The Homesafe policy will apply to those households that deny such conditions.

So the police sets conditions:

- the house must be owner-occupied or being bought on a mortgage.
- It must not regularly be left unoccupied. This provision is aimed at places left unoccupied for several hours during the day—where both arsons go out to work.
- The total value of high risk possessions—TVs, videos, jewellery, etc—does not exceed £5,000. In effect this condition keeps the average size of claims down rather than discouraging thieves.
- The householder has not made any claims on his contents insurance during the three previous years. One could argue that this should only apply to theft claims. Legal and General want to exclude the persistent claimant, but they would interpret this condition liberally for non-theft claims, such as a burst pipe damage claim during a big freeze-up. These two factors cut out the high-risk house.
- The householder must be prepared to fit within 28 days adequate locks and bolts on doors and windows up to the required standard, which L & G refer to as the D (for Deterrent) Factor. The company emphasises that in general alarm systems are not required to meet this factor.

To encourage householders to fit the device, Legal and General has prepared a leaflet explaining what should be done and is offering a 10 per cent discount of the cost of these devices so, by Chubb.

Homesafe has its own premium rate which vary between 18 and 20 per cent less than the premiums on the normal house contents policy. Legal and General is identifying a class of lower risk houses and rating accordingly. Like all house contents policies, premium rates vary by district. Rates for London and other inner cities

District (postcode)	Homesafe	H & PT	Premium Savings
Birmingham (B1)	126.50	165.00	23.50 (17%)
Bristol (BS1)	69.00	82.50	13.50 (16%)
London (N1)	163.00	210.00	42.00 (26%)
Glasgow (G1)	105.00	127.50	22.50 (18%)
Liverpool (L1)	168.00	210.00	42.00 (26%)

Home and Personal Insurance contract

mium providing they can meet the following requirements:

- The house has adequate security precautions especially key-operated security locks on windows. Each property is surveyed by a member of the firm.
- The householder is a member of a neighbourhood watch scheme that has a high level of coverage in its area. The scheme is now in its third year, was designed by John Brownhill in close collaboration with crime prevention officers.
- If the security measures are not used then there is a £500 excess on theft claims. The other unique feature of the scheme is it offers a no-claim bonus with a discount of 15 per cent on premiums after the first year if no claim is made, 20 per cent after the second year and 25 per cent after the third and later years.

Insurance companies have resisted all calls to introduce a no-claims bonus system for

house insurance, the underlying reason being the administration problems. John Brownhill handles all the administration on the scheme still using a card filing system and can run this no claims bonus system without costing a lot of money.

The scheme is underwritten by General Accident, so it has quality insurance backing. GA has just taken over from Lloyd's syndicates as insurers and it would not have done so at such low premiums in the highest theft risk area in the UK if the experience had been anything but good.

The scheme has over 500,000 policyholders and John Brownhill attributes its success to individual underwriting based on his intimate knowledge of London and close co-operation with crime prevention officers. For this reason it is not available outside the old GLC area.

Schroder surprises

NEWS THAT Schroder Financial Management, one of the leading names in the unit trust sector, is being taken over by the little known UK subsidiary of National Mutual Life Association of Australasia, came as something of a shock.

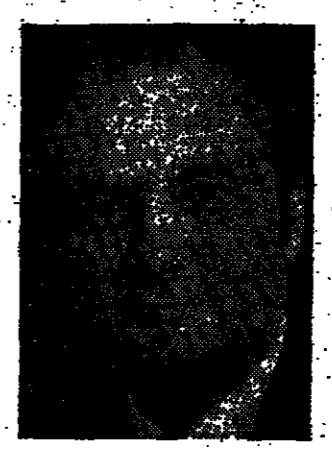
During the past six years or so Schroders has grown enormously, extending its traditional life and pensions business into unit trusts, which have rapidly established a good trading record. In this relatively short time Schroders has moved up to seventh spot in the league table of unit trust management companies, raising its funds under management from £87m to £1.1bn, with 50,000 unit holdings.

So why is the company changing hands? According to Ian Sampson, managing director of Schroders unit trust arm, two reasons persuaded the parent company to sell its fast-growing subsidiary.

One is that in order to sustain growth, a good deal more capital will have to be provided to fund further expansion, either by acquiring distributive outlets such as an estate agent or a building society, or by employing more salesmen.

The other reason is that the parent company itself needs additional capital if it is to eventually come from the Australasian group—an old established life insurance and financial services company that has recently adopted an aggressive expansion policy. It is now Australia's second largest life office, number one in New Zealand, and it has also moved into Hong Kong. Its worldwide assets exceed £6bn so it will be able to provide powerful backing for Schroders Financial Management.

During the first three years after the takeover is completed (with a deadline of December 31 to allow for formal approval by the Office of Fair Trading and the Department of Trade and Industry) the merged com-



Ian Sampson

panies will trade under the name of NM Schroder. Former parent company Schroders plc will retain the investment management of funds for the three year period and take back, permanently, some of the exempt funds held, mainly by Schroder private clients.

After that the new company will go its own way under a new name, almost certainly with a change of investment management for at least the bulk of the funds. This somewhat complicated arrangement gives assurance to existing unit trust holders that the same investment management will continue for three years.

According to Mr Sampson, the aim is to keep them happy for the next 2-3 years. He says the two companies will fit well together, the life assurance side of Schroders receiving substantial benefit, and no disadvantages for the unit trust sector.

NM's sales force of some 300 sells mainly conventional insurance products, while Schroder's 350 salesmen deal in a wider range. But one of Schroder's strengths is that it has very strong sales via brokers too.

National Mutual of Australasia, which has no connection with the National Mutual Life, a UK company in London, appears to have paid a substantial price for the goodwill of Schroders Financial Management. It is already planning a new £5m headquarters building in Poole, Dorset, and according to Eric Mayer, group chief executive in Melbourne, aims to become a new force in the UK market.

John Edwards

HENDERSON EUROPEAN INCOME TRUST

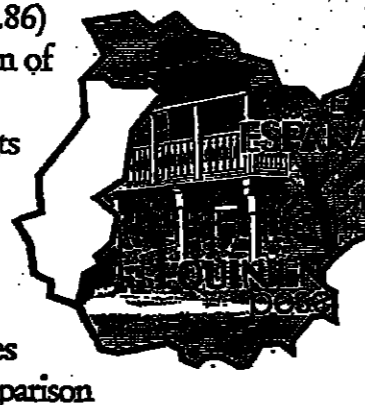
THE LAND OF OPPORTUNITY. WITH NO ONE BETTER TO TAKE YOU THERE.

Europe, in terms of total return, promises some of the most rewarding investment opportunities.

Henderson with probably London's most experienced European investment team, now launches its European Income Trust.

With falling inflation, European governments boosting local industry and, generally, a much broader participation in European stockmarkets by domestic and international investors, we believe now is the ideal time to create an income orientated fund.

Henderson European Income Trust will be invested to provide an estimated initial gross annual income yield of 4.5% (11.10.86) plus an excellent expectation of capital growth.



This trust complements Henderson's existing European portfolio, from which the Henderson European Trust, measured over the last ten years comes first for performance in comparison to other European trusts. (Planned Savings 1.10.86.)

The experience that has produced this unrivalled record has determined the mix between high yielding equities, bonds and cash which will comprise the portfolio of this new Trust.

Minimum holding is £500 or £25 per month through the Henderson Investment Builder Account.

And of course, with no one better than Henderson to manage your European investment, there's no better time to start than the present.



LAUNCH PRICE OFFER OF 50p PER UNIT UNTIL 31st OCTOBER 1986

To mark the launch of the Henderson European Income Trust, we are making a launch price offer of 50 pence per unit until 31st October 1986. After the initial fixed price offer closes, units may be bought at the current daily price.

You should remember that the price of units and the income from them can go down as well as up and you should regard any investment as long term.

ADDITIONAL INFORMATION

Distribution of income will be paid on 31st March and 30th September, the first payment being on 30th September 1987. The initial estimated gross annual yield is 4.5% (11.10.86).

Contract notes will be issued and unit certificates will be provided within eight weeks of payment. To sell units endorse your certificate and send it to the managers payment based on the ruling bid price will normally be made within seven working days.

Unit Trusses are not subject to capital gains tax; moreover a unit holder will not pay this tax on a disposal of units unless his real realised gains from all sources in the tax year amount to more than £6,300 (1986/7). Prices and yields can be found daily in the national press.

An initial charge of 5% of the assets (equivalent of 5% of the issue price) is made by the managers and is included in the price of the units when issued. Out of the initial charge, managers pay remuneration to qualified intermediaries, rates available on request.

An annual charge of 1% (plus VAT) on the value of the Trust will be deducted from the gross income to cover administration costs, with a provision in the Trust Deed to increase this to a maximum of 2% on giving three months written notice to the unit holders.

Managers: Midland Bank Trust Company Ltd., 11 Old Jewry, London EC2R 3JL.
Managers: Henderson Unit Trust Management Ltd., 26 Timbary Square, London EC2A 4DA. (Registered Office). Registration Number: 856263 England.
A member of the Unit Trust Association.

The Henderson Unit Trust Management Ltd., Dealing Department, 5 Northmoor Road, Histon, Cambridgeshire, CB3 0AA. (Minimum £500 in the Henderson European Income Trust at the launch price of 50p per unit and enclose a cheque payable to Henderson Unit Trust Management Limited. If you wish to have unit certificates returned please tick .)

I wish to invest £..... per month (minimum £25) in the Henderson European Income Trust and enclose cheque for cheques/mo's investment payable to Henderson Unit Trust Management Limited. Details on how to make subsequent payments will be sent to you on receipt of this coupon. Please send separate cheques if you wish to invest both a lump sum and a monthly subscription. This offer will close at 5.30pm on Friday October 31 1986. After the close of this offer units will be available at the daily quoted price. Joint applicants must sign and attach full names and addresses separately.

Name: _____
Surname: _____
Address: _____
Postcode: _____
Day: _____
Signature: _____
My Professional Adviser is: _____
2C

This offer is not available to residents of the Republic of Ireland.

HENDERSON EUROPEAN INCOME TRUST

TSB winners and losers

THE TSB flotation prompted a number of complaints from disgruntled investors who were unsuccessful in obtaining shares. Some, perhaps harbouring suspicions that the allocation had not been entirely fair, had wanted to know how the ballot had been conducted.

The problem faced by the receiving banks handling the issue was that they had to be not only fair but fast and with some £m applications to handle, it is perhaps not surprising that one of the short cuts they took produced some quirky effects.

As all the application forms poured into the banks, they were first sorted into preferential and non-preferential applications, and then into categories according to the number of shares applied for. But the crucial next step taken to make

the quantities manageable was to sort them into bundles of 50. Once the decision was taken to ballot out exactly half the non-preferential applicants, the rest was easy: half the bundles in each category were rejected, and the other half were chosen to be lucky recipients of shares.

The unfortunate consequence of this was that if, say, all the members of a given family had applied for the same number of shares and submitted their applications together, the chances are that their forms would have ended up in the same bundle; so either all will have received shares, or none.

In one sense there was nothing unfair about this method because it was still totally random and the odds against any single applicant obtaining shares in the issue were still 50-50. But in retrospect, it can

be seen that the members of our imaginary family would have stood a better chance of obtaining at least some shares in the issue if they had known about the sorting method in advance and submitted their applications separately.

Lazard Brothers, the merchant bank handling the TSB flotation, feels it was inevitable that some such method had to be employed to deal with the logistical problems of responding to so many applications in the time available.

British Gas will pose worse problems still, so perhaps people should bear in mind the TSB experience before deciding whether using one postage stamp for the whole family's application forms really is an economy.

Richard Tomkins

This advertisement is issued in compliance with the Regulations of The Stock Exchange.

Nationwide Building Society
(Incorporated in England under the Building Societies Act 1974)

Placing of £20,000,000 11 3/4 per cent Bonds due 26th October 1987

Listing for the bonds has been granted by the Council of The Stock Exchange. Listing Particulars in relation to The Nationwide Building Society are available in the Extel Statistical Services. Copies may be collected from: Companies Announcements Office, P.O. Box No. 119, The Stock Exchange, London EC2P 2BT until 21st October 1986 and until 3rd November 1986 from:-

Fulton Prebon Sterling Ltd., 34-40 Ludgate Hill, London EC4M 7JT

Chase Manhattan Securities, Portland House, 72/73 Basinghall Street, London EC2V 5DP

Rowe & Pitman Ltd., 1 Finsbury Avenue, London EC2M 2PA

18th October 1986

THE FT READERS GREAT INVESTMENT RACE

Want to enter the FT Readers Great Investment Race and enclose entry fee of £10 (cheque or postal order made payable to Charity Projects).

Table for entering the FT Readers Great Investment Race, including fields for Name, Address, and a grid for selecting 5 stocks from a list of 100.

How to Enter—You have £55,000 to invest in up to five different stocks from the FT-SE 100 Index in blocks of £7,000. Select the stock or stocks you think will rise in price most during the year...

Investors' pro-am

THE CHANCE to pit your investment skills against the professionals, and benefit charity at the same time, is provided by the FT Readers Race, which is running alongside the Great Investment Race for professional fund managers...

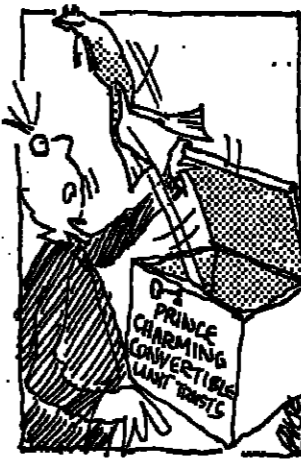
value portfolio based on the FT-SE 100 prices quoted in the FT on September 23 1987... To avoid the risk of a tie, entrants must also guess the level of the FT-SE 100 index quoted in the FT on September 23 1987.



Christine Stopp watches the unit trust groups jumping onto a new bandwagon The big change to convertibility

IN THE fashion-prone world of unit trusts, convertible trusts may be the latest mini-craze. Framlington is the only group at present to run a convertible trust with a long-term performance record...

Table of CONVERTIBLE TRUSTS showing yield performance over 1, 3, and 5 years for various trusts like Prolific Conv. & Gilt, Framlington Conv. & Gilt, etc.



the premium is neither here nor there, and you're getting a good yield in the meantime. In practice, most convertible trusts will probably not exercise their conversion rights...

Windsor launched its Convertible and Equity trust in March, and Baillie Gifford is the latest to enter the sector with its Convertible and General trust, first advertised last weekend...

more moderate movements in each direction. In other words, the convertible will benefit to a modest degree when its related equity price rises, but when the equity price falls, damage to the convertible will be limited...

rather than industry-beaters. Framlington's trust has stayed at the top of its sector for most of the period since its launch, though Prolific has now slipped into the number one slot in the one-year figures...

seem to be going for higher yields than Framlington and Prolific offer. Windsor was quoting 7.7 per cent on October 8, and Baillie Gifford expects starting yield of 8 per cent. Douglas McDougall of Baillie Gifford says that his fund was inspired simply by the recent volume of convertible issues...

Both Prolific and Windsor have found this type of fund to be especially popular with the investor. Prolific has taken in almost £12.5m since launch, and Windsor's trust, at £3.5m, is its biggest. In addition to its appeal to the investor seeking a low-risk way into unit trusts, David Lis also points out that convertible trusts should be attractive as PEPs vehicles...

FT-SE 100 Companies with prices as quoted in September 24 issue of The Financial Times. List of 100 companies with their respective stock prices.

LEISURE VENTURES PLC OFFER FOR SUBSCRIPTION under the terms of the BUSINESS EXPANSION SCHEME. Includes details about the offer, terms, and contact information.

WANT TO SPEAK FRENCH? You can, through the 'TOTAL APPROACH' to French... Includes details about the program and contact information.

Advertisement for DEPOSIT BONDS. THE PRESENT WITH A REAL FUTURE. Includes a large image of a person and text explaining the benefits of deposit bonds, such as tax advantages and growth potential.

Why Dealercall means a great deal to 9,000 investors

Dealercall is the biggest and most efficient share dealing service in the United Kingdom. Here's why.

How it works

- You apply for an investment limit to suit your dealing requirements.
- We send you your personally numbered Dealercall Account Card.
- To buy and sell shares you call Dealercall on 01-242 3696 with your instructions.
- Hoare Govett Dealercall negotiates the best price available and reports back to you. Simple!



What it offers

- A high interest daily deposit facility.
- A free nominee facility to reduce paperwork.
- Limits are accepted for transactions over £5000.
- A pre-recorded commentary on market movements.
- From 27th October, our standard commission rate will be reduced from 1.65% to 1.25% (plus VAT). Our minimum commission will be £12.50 plus VAT.

For further information and an application form send in the coupon below.

THE SIMPLE AND RELIABLE WAY TO BUY AND SELL YOUR SHARES

Nicholas Huntley, Dealercall Ltd, Heron House, 319-325 High Holborn, London WC1V 7PB. Tel: 01-404 0344. Please send me further information and a Dealercall account opening form.

Name _____
 Address _____
 Post Code _____

Dealercall Ltd is a member of The Stock Exchange and a subsidiary of the Hoare Govett Financial Services Group Ltd.

Watering the land

On January 1 I bought an old farmhouse freehold. There were no problems evident on the deeds, and in fact there is no special problem at this moment. At the time of the completion however the vendor told me that he was using an extra piece of land at the bottom of the garden and that he paid £5 a year for using it. Since then no one has approached me to ask for the £5, and my neighbour informs me that nobody ever pays the £5 because the land is used in exchange for the fact that the water supply to the small market garden nearby is drawn from my domestic supply!

I have checked this, and find that there is a stop-tap at the end of my garden, and that there is an ancient iron water pipe supplying the market garden. I have been through the deeds most carefully and there is no mention of any easement, or right, or obligation for me to provide the water.

I have just heard that a builder is trying to buy the market garden, but has so far failed to get access across other properties. I am concerned in case someone tries to prove that they have a right to draw water from my supply—what should I do? Presumably if over I am asked to relinquish the piece of ground I can then turn off the water?

There is one other simple question, a neighbour is growing ivy on one of my boundary walls which also happens to be our studio/study. I have no right of access to his property to maintain the wall. The ivy is affecting the roof slates and the guttering, and I suspect is forming roots inside the bending in the stone wall. I have previous experience of the damage that ivy can do to an old house. The neighbour is a very touchy character. Have I a right to force down the ivy from my roof, and leave him to dispose of it?

You should invite the owner of the market garden to agree in writing that the position is as you understand it to be, that he uses the water with the permission of the owner of your land and that such owner has the use of the extra land in consideration of that licence. If the market garden owner will not accept that, you can cut off the supply and force him to make his claim clear. If he claims an easement by prescription you may in turn have acquired the land by adverse possession. A prescriptive easement will be limited to use for the purposes of a market garden, and will not extend to the accommodation of buildings

which were not constructed on the land during the period of 20 years necessary to prescribe for an easement. You can deal with the ivy as you suggest.

Search for lost will

My sister has died and I find that she signed a Will, dated 1964, in the presence of solicitors who have retained a copy on their files, the original Will having been handed to my sister for retention. Under this Will I was appointed executor and sole beneficiary. I have been unable to find the Will, or any later Will, amongst my sister's papers. My sister was unmarried and had no dependents but there is one other brother from whom both my sister and I have remained estranged for 23 years as a consequence of litigation concerning our parents' Wills. Can you advise me what position I am in with regard to my sister's Estate? You can seek to have the copy Will admitted to probate on your swearing an affidavit setting out all the facts and showing that there is no reason to believe that your sister destroyed the Will with the intention of revoking it. You may care to instruct the solicitors who hold the copy Will to handle the matter.

House for disabled son

I own a house (outright) in the country and in 1982 I bought (with cash) a house in London for my disabled son. He has now bought a house of his own, and I have put the property where he was living on the market for £75,000 (I paid £35,000 for it).

Can you tell me how much tax I will pay on the profit from the sale, and are there any ways in which I can reduce this liability? Will the purpose for which the second building was bought (bearing in mind my son's condition) be taken into account, for example?

Also, if I wanted to make some cash gifts to my children, will this help regarding my tax position (and theirs) or just make matters worse.

I am 60 years old and live on a state pension, plus a small income from shares.

If your son's disability is such that it can be said that he is incapacitated by... infirmity from maintaining himself, you should escape CGT by virtue of section 105 of the Capital Gains Tax Act 1979. Ask your tax inspector for the free pamphlet CGTs, which you have no doubt seen mentioned in our columns from time to time.

The solicitor who acts for you in the sale of the house will be able to guide you on the tax aspects, and on the question of gifts to your children. In principle, gifts of cash or shares are a good idea (so long as you have enough to live on).

Redundancy investments

I was made redundant in 1983 and invested my £15,000 redundancy money mostly in unit trusts with a few thousand in shares. The investment is now worth about £23,000. I would like your advice on the tax position, particularly regarding Capital Gains Tax, should I need to sell all my holdings at once, this is likely in the near future. I am a married woman and taxed jointly with my husband.

If you had invested the £15,000 in December 1983 and had sold everything in July of this year for £23,000 (and if neither you nor your husband had any other capital gains in 1986-87), you would have no CGT bill to pay, because the £8,000 gain would be covered partly by indexation relief and partly by the cost of chargeable gains for 1986-87: Proceeds of sale in July 1986 394.7 23,000

Cost in December 1983	342.8	15,000
	41.9	
Indexation relief:	41.9	
	- x £15,000 =	1,633
342.8		16,833

Chargeable gains	6.167
Exempt amount for 1986-87	6.300
Unused balance for exempt amount	£ 133

Of course, the precise calculation of the chargeable gain for each holding of units or shares depends upon which month in 1983 you bought them in and what the RPI is for the month in which you sell them. As you did not tell us exactly when you made your purchases, we can only offer you the list of RPIs for 1983 and leave you to select the right one:

January	325.9
February	327.3
March	327.9
April	332.5
May	333.9
June	334.7
July	336.5
August	338.0
September	339.5
October	340.7
November	341.9
December	342.8

RPIs are published by the Department of Employment around the middle of each month, on Friday, and appear in the Saturday FT — usually on the front or back page. The RPI for last month, therefore, is not yet known.



Maternity leave

For the past seven years I have been in the Army on Short Service Commission. I am now expecting my first baby at the end of December and thus will have to terminate my Commission with effect from October 12. My husband is in the Services. As the Protection of Employment Act does not cover the Armed Forces, I will not be able to return to my career after having had the baby and in effect have been made redundant because of my pregnancy. This is a matter which I fully understand and have been aware of for several years now.

However, it would appear that I am not liable to claim for Maternity pay, although during the time I have been in the Army I have paid the full National Insurance Contributions. I am led to believe that a percentage of each employer's National Insurance Contributions are paid into the Maternity Pay Fund which is used to spread the cost of maternity pay among all employers, not only those who employ women. My questions are:

- 1—Is there any way I can apply to the Department of Employment to pay Maternity Pay to me directly from the Maternity Pay Fund?
- 2—Can I claim back the percentage of my National Insurance contributions which have been paid over the past seven years as a contribution to the Maternity Pay Fund, from which I am apparently not able to claim?

In fact, servicewomen do not pay the same rate of NIC as civilians; the top rate for you and your colleagues is 8.1 per cent, as against 9 per cent for employees generally. The difference reflects the fact that there is no contribution to the maternity and redundancy funds by members of the forces.

For the benefit of women contemplating a short-service commission, you may like to ask your MP to urge the Ministry of Defence to make the prospective social security position clearer in recruiting advertisements and leaflets.

Tax on gift overseas

My daughter is married to an American and lives in the USA. Is tax payable on any gifts I make to her within seven years of my death and is tax payable on the value of the estate transferred to her on my death? Yes (assuming that you are domiciled in England and Wales) the domicile of the beneficiary does not normally affect the amount of inheritance tax on a gift or bequest. The incidence of capital gains tax on gifts to non-residents was made more burdensome by section 63 (1) of the Finance Act 1984, unfortunately.

No legal responsibility can be accepted by the Financial Times for the accuracy given in these columns. All inquiries will be answered by post as soon as possible.

CHESS

THE DUTCH chess club Utrecht reached its centenary last week and marked the occasion with an unusual tournament. Six highly-ranked masters, including Nunn and Miles from Britain, were invited to test controversial openings against local experts.

The CAP Gemini tournament (the sponsor was a firm of systems consultants) gave locals a chance to prepare in advance on the same basis as the visitors and created a novel species of handicap.

A second pair falls. White's pieces fall at the R-side, but the defences are solid. 28 R-Q3, R-KB1; 29 B-B3, R-K1; 30 P-B3, Q-B5; 31 Q-R6, B-N3; 32 P-B, R-B3; 33 Q-K4, B-B4; 34 Q-Q2, B-N4; 35 B-K4, Q-B7; and White lost on time. If 36 Q-Q, R-R mate, and otherwise he loses more material.

mostly opted for simple development.

10 B-K2, QN-Q2; 11 Q-Q, Q-B4; 12 K-R1, B-K2; 13 P-Q4, Q-B2; 14 R-B3.

Tony Miles's opponent tried 14 P-B5, N-B4; 15 Q-K3, Q-O; 16 N-N3, N-N3; 17 R-XN, with equal lack of success.

14. P-B3; 15 R-R2, N-B4; 16 Q-K4, B-B4; 17 K3, P-F3; 18 P-F3, N-N5! This frees Black's game and gives him a useful bishop pair.

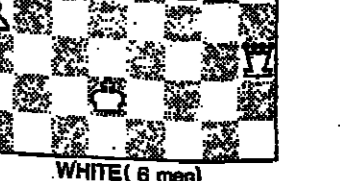
The organisers chose two queen's side openings, the Queen's Indian and Grunfeld Defences. There were two lines in the Dragon variation of the Sicilian Defence (1 P-K4, P-QB4 with a later black P-KN3); and finally, the Poisoned Pawn Sicilian favoured by Bobby Fischer which cost him a defeat against Spassky in their celebrated match at Reykjavik.

Nine poisoned pawns at Utrecht proved disastrous for the white players, who suffered seven defeats. Belated success for Fischer? It's not so clear. The same move at Utrecht was Q-Q3 rather than Spassky's classical 8 Q-Q2, than a pairings quirk gave all six heavyweight visitors the black pieces. They calmly digested six white QNPs, beat off the attacks from frustrated Utrecht men, and launched decisive counters.

White: P. Nieuwenhuis (Holland). Black: J. Nunn (England). Sicilian Poisoned Pawn (Utrecht 1986).

1 P-K4, P-QB4; 2 N-KB3 P-Q3; 3 P-Q4 P-F3; 4 N-F2 N-KB3; 5 N-QB3, P-QR3; 6 B-KN5, P-K3; 7 P-B4, Q-N3; 8 Q-Q3, Q-NP; 9 R-QN1, Q-R4.

Moves until here were obligatory, but now players were free to choose. Four Whites selected 10 P-B5, one 10 B-N, but the Amateurs (confronted by grandmasters)



BLACK (1 man)

PROBLEM No. 645
 White mates in three moves, against any defence (by O. Blumenthal). Novices usually start their attempts on such a problem by investigating White's various queen checks; but an expert will at once query the presence of White's rook pawn, so distant from the action on the other flank. Diagnose the purpose of the RP, and the answer is simple.

Solution Page XIX.
 Leonard Barden

Weekend Business

Cash Flow Eased at Reasonable Rates

If your company has sums of money tied up in good quality debentures you can turn them into immediate cash using either bills of exchange or invoice discounting facility at rates of interest that may be less than your bank is currently charging you.

Alexanders Discount plc, established in 1910, one of the members of the London Discount Market Association, have for many years specialised in trade finance.

For further information please write or phone:

Alexanders Discount plc
 65 Cannon St, London EC3N 3PP Phone: 01-626 5467

11 1/2% PER ANNUM NET INTEREST

STANDARD TERMS ACCOUNT £1,000 min £50,000 max
 Under £10,000 11 1/2% pa net
 Over £10,000 11 1/2% pa net
 HIGH YIELD ACCOUNT £500 min
 All amounts 11 1/2% pa net

Standard Terms deposits are fully secured. Once fixed, all rates remain fixed. Interest may be paid annually, half yearly, or for deposits over £5,000, monthly. One year's notice to redeem; no penalty during notice period. For full details simply send this advert with your name and address.

Enquiries from Brokers, Financial Advisers, etc welcomed
 Tick your requirements

Bradford Investments Licensed Deposit Taker
 71 Manningham Lane Established 1972
 Bradford, West Yorkshire BD1 3BN
 Phone (0274) 725748 or Answerphone (0274) 737548

BAD DEBTS?

Bad debts purchased or collected (flexible structuring or transactions). Consumer credit receivables preferred but all propositions considered. No transactions too large or too small.

Apply in the strictest confidence:

DEBT RECOVERY SERVICES

Kent House, Wood St, Taunton TA1 1UW - Tel: 0823 87905 - Ref: DGNH

Unique opportunity to acquire a STRUCTURAL STEEL FRAME

for a clear span single storey structure
 Ground floor area 88,000 sq ft clear height 80ft
 (Constructed as aircraft hangar for fabrication of VC10s)

The frame is ready for collection in Surrey
 All enquiries: Robert Neil & Co - Tel: 01-499 0678

MD/FCA UNDERTAKES SPECIAL ASSIGNMENTS HOME/ABROAD

(Imprecable references)
 Tel: (0886) 778167

Box F6673, Financial Times
 10 Cannon St, London EC4P 4BT

PERSON WITH CAPITAL

seeks opportunity to invest in suitable project with or without active participation

Write with details to:
 Box F6673, Financial Times
 10 Cannon St, London EC4P 4BT

\$250,000 EQUITY INVESTMENT

Business wishes to sell 25% equity. Located in West Palm Beach, Florida. Sells rents, operates contractors equipment. Rapidly growing, superb location. Property very valuable, increasing rapidly. This business has potential for public offering/franchising in a couple of years. If you have to borrow this sum, will not be comfortable with a minority share, please don't phone.

(305) 689 9880

COMPANY DOCTOR

Offices in UK and Lisbon. Operating background in USA, Southern Ireland, UK and Portugal. Long term project recently completed and now available for a redevelopment assignment in general management, financial, marketing or production functions.

Contact: Mrs Nicola Johnson
 29 Granville Street
 Aylesbury, Bucks HP20 2JR
 Tel: 0293 37878
 Telex: 837971

FINANCE CONSULTANT & BROKER

Professional expertise nationwide from a Chartered Accountant and Experienced Banker. For the arrangement of finance for business purchase, expansion and refinancing.

Tel: 0282 841377

CAPITAL FUND RAISING

MORTGAGES AVAILABLE
 TEL: 01-546 8857
 Finance Brokers:
 Maybury & Co, 16a St James's Street, London, SW1

Business Services

Offshore & UK Companies

Incorporation and management in UK, Isle of Man, Channel Islands, Turkey, Panama, Liberia, Gibraltar, Hong Kong, etc. Documentary and notarial services.

SELECT CORPORATE SERVICES LTD
 9 Mount Pleasant, Douglas, Isle of Man
 Tel: Douglas (0625) 25718
 Telex: 82854 SELECT G

London representative:
 S-C Old Broad St, London W1
 Tel: 01-480 4266
 Telex: 36347 SCSLDN G

Readers are recommended to seek appropriate professional advice before entering into commitments

Businesses for Sale

FOR SALE
 LLEYN PENINSULA, NORTH WALES
 11 ACRE EXCLUSIVE BEACH
HOLIDAY CARAVAN PARK
 DEVELOPED TO A HIGH STANDARD
 192 STATIC UNITS PLUS TOURING PITCHES
 25 UNIT LUXURY MODERN FLEET
 5 BEDROOMED HOUSE PLUS 2 BEDROOMED BUNGALOW
 FITTED TO HIGH STANDARD
 Superb indoor Swimming Pool, Games Arcade
 Equipped Children's Playground, all Mains Services
 Offers circa £1,000,000 plus
 Applications for further details will only be considered from principals
 Write Box NT28, Financial Times, 10 Cannon St, London EC4P 4BT

OPPORTUNITY
FACTORY WAREHOUSE
 RHYMNEY, MID GLAMORGAN
 66,000 sq. ft. Single Storey on a 4.5 Acre site
 Good road and rail access. Immediate Possession.
 FREEHOLD £90,000 (or may sell part)
 Contact:
 Newbridge Construction Limited
 23A Gold Tops, Newport, Gwent NP9 4UL
 Tel: 0633-63036

Excellent, well established RETAIL BUSINESS specialising in
SOFT FURNISHING AND CO-ORDINATION
 First Class manager and highly trained staff.
 Double fronted, Leasehold premises, Home Counties.
 Turnover £200,000 + pa
 Further particulars from:
 Box H1384, Financial Times
 10 Cannon Street, London EC4P 4BY

SMALL INVESTMENT COMPANY
 For Sale
 Comprising freehold property S.E. London for self-contained flats, one vacant; £130,000. Portfolio preference shares valued £60,000; cash £15,000; income £20,000 p.a.
 OFFERED AT £205,000
 Write Box H1324, Financial Times
 10 Cannon Street, London EC4P 4BY

ON DECEMBER 12
THE FINANCIAL TIMES
 is proposing to publish a Survey entitled
ACCOUNTANCY
 This will cover major developments affecting the profession
 For a full editorial synopsis and advertising details, contact:
 PENNY ROBERTSON
 Advertisement Department
 Financial Times, 10 Cannon Street
 London EC4P 4BY
 Telephone: 01-248 8000 ext. 3316
 01-248 5161

SEWAGE CHEMICAL/MARINE CLEARANCE AND CONTROL
 Company with total system (hardware and software) including patented Vessel (Lloyds approved). Substantial negotiated orders. Industrial partner/purchaser sought.
 Mathercourt Security Ltd
 01-831 9061

LONDON MODEL AGENCY
 FOR SALE
 Please write in confidence to:
 Stoy Hayward & Co
 (Ref: 23/17)
 8 Baker Street
 London W1M 1DA

EXCEPTIONAL PROPERTY INVESTMENT
 2 FREEHOLD EXCLUSIVE HOMES ON PORTFOLK COAST
 Let to top major (Blue chip) on renewable 3 year leases gives 11% Return
 PRICE £195,000
 Write Box H1323, Financial Times
 10 Cannon St, London EC4P 4BY

COIN OPERATED MACHINES
 Long established family business with a record of profitability and exceptional cash flow. Widely based operation with Midlands headquarters.
 Write Box H1327, Financial Times
 10 Cannon St, London EC4P 4BY

TRAVEL
 For Sale Travel Tour Operator
 London based, all licences, specialise in AIR, FLYK, COAST, 1987 brochure shortly available. Turnover £2m; gross profit margin 20%. Ideal opportunity.
 All enquiries to:
 Box H1326, Financial Times
 10 Cannon St, London EC4P 4BY

Consumer Finance Business
FOR SALE
 In busy Berkshire town
 Annual finance raised over £90,000
 Debtors including of finance
 £25,000
 Write Box H1325, Financial Times
 10 Cannon St, London EC4P 4BY

Businesses Wanted

YOUNG ENTREPRENEURIAL ENGINEER
 With extensive marketing experience wishes to acquire equity interest in manufacturing or associated business with potential.
 Phone: (01) 582 2904
 weekends and evenings

Handwritten text: 01-248 5161

Country Property

FOR LARGE, DESIRABLE DWELLINGS, A SWIFT, DESIRABLE MORTGAGE SERVICE.



NASH RESIDENCES



SPORTING ESTATES



CASTELLATED MANORS



GEORGIAN TERRACES



MOATED GRANGES



BARONIAL HALLS

Whether your fancy has been taken by a baronial hall, split level penthouse, moated grange or castellated manor, you'll find Midland Bank uncommonly adept at arranging a larger mortgage.

We can be extremely efficient without being obtrusive. So if you're currently considering a larger mortgage, we'd be delighted to explore the possibilities with you.

Written details available from: Customer Information Service, Freeport, Sheffield S1 1AZ.



MIDLAND MORTGAGES From the Listening Bank

Giddy & Giddy

BERKSHIRE
Maidenhead
Impressive family house thoroughly modernised mature residential area. 4 bedrooms, 2 bathrooms, 2 reception rooms, luxury kitchen and breakfast room, gas ch, double glazing, mature gardens. Freehold £225,000.

BERKSHIRE
Close to Thames, Maidenhead.
An exceptionally high quality house built 3 years ago in quiet cul-de-sac. 3 bedrooms, 2 bathrooms, drawing room, dining room, kitchen/breakfast room, utility room, cloak, gas ch, double glazing, double garage. Beautifully landscaped. Highly recommended. Offers around £250,000, Freehold.

BERKSHIRE
River Enslin, Wargrave.
Charming modern residence in peaceful location with 200ft frontage to the River. 3 bedrooms, 2 bathrooms, dressing room, reception hall, cloakroom, drawing room, dining room, kitchen/breakfast room, gas ch, about 1/4 acre. Offers invited.

Country House Department,
11/13 Queen Street,
Maidenhead, Berkshire
Tel: (0628) 7443.

FOUNTAIN FORESTRY

FORESTRY IN SCOTLAND

DORNOCH, SUTHERLAND

467 ACRES

GOOD QUALITY GENTLY SLOPING PLANTING LAND OVERLOOKING FIRTH. GOOD ACCESS ONTO ROAD.

£78,000

Berry T Gamble, Fountain Forestry Ltd,
35 Queen Anne Street, London W1M 9EJ,
Phone 01 631 0845
Fax: 01 530 5297

By order of the S.W. regional Health Authority acting as the Secretary of State for Social Services
CITY OF PLYMOUTH - AN IMPORTANT DEVELOPMENT OPPORTUNITY IN A FINE RESIDENTIAL LOCATION

4 large handsome period houses presently providing in excess of 15,000 sq. ft. of planning potential for development of the whole into 38 flats or of part into residential homes. Large park, extensive gardens. Views across the City to Plymouth Sound.

For sale by Foote & Nash November, 1988

FOX & SONS

Apply: Fox House, Whimple Street,
Plymouth, PL4 8DN.
Tel: 07523 80011

Surprisingly, they often cost no more than ordinary homes

One look round any of our quality homes and you'd be forgiven for thinking they cost a lot more than they actually do. Visit a Bryant Showhome and you'll see what we mean. Everything about our homes says 'Quality'. Everything that is, except the price!

There is a superb range of luxury 4 bedroom detached residences available at the developments listed. For full details of their outstanding specification, see a Showhome this weekend!

FURNISHED SHOWHOMES OPEN 12-6PM DAILY

CHARVIL
Sunning Ridge
Gingells Farm Road
Charvil Nr Wyford Reading
Tel: Wyford (0734) 340377
From £132,000-£137,500

HASLEMERE
Forest Hills
Hindhead Road Haslemere
Tel: Haslemere (0428) 56797
From around £190,000

WOKINGHAM
Honeywood
Eastheath Avenue
Wokingham
Tel: Wokingham (0734) 776098
From £110,000-£135,000

Bryant Homes
Raising the Standard

Knight Frank & Rutley

Lypiatt Park, Gloucestershire

Cirencester 10 miles
A rather special historic house in an outstanding position with beautiful gardens. Five reception rooms, 8 bedrooms, 6 bathrooms. Self-contained accommodation. Two cottages. Old stable yard with extensive workshops and store rooms. Private Chapel. Granary. Dovecote.
about 10 acres
Apply: Cirencester, Tel: (0285) 89771 (Ref. SMGB) or London, Tel: 01-629 8171 (Ref. NA13832)

20 Hanover Square 01-629 8171
London W1R 0AH Telex 266394

STRUTT & PARKER

BERKSHIRE - HUNGERFORD, THE RIVER DUN

Marborough 10 miles. Newbury 8 miles
A MOST ATTRACTIVE AND CONVENIENTLY SITUATED STRETCH OF DOUBLE BANK FISHING ON A TRIBUTARY OF THE RIVER KENNET
About 850 yards of chalk stream, double bank fishing with scope for further improvement and protected by the surrounding water meadows with limited sporting rights.

ABOUT 25 ACRES
For Sale by Auction on 29th October (unless previously sold)
In Excess of £50,000
Newbury Office: 55 Northbrook Street.
Tel: (0635) 34763 Ref: 14AA 129

By direction of the South East Thames Regional Health Authority on behalf of the Secretary of State for Social Services

EAST SUSSEX - NR. LEWES

A spacious Victorian mansion with extensive accommodation on four floors, ideally suited to residential home, office, educational or other institutional use, subject to planning consent.
The accommodation of about 11,000 sq. ft. comprises: - Substantial basement plus approximately 23 rooms distributed throughout the three floors. The gardens extend to about 11 acres with woodland and pond.

FOR SALE BY FORMAL TENDER
Closing date: 14th November 1988
Leves Office, 201 High Street.
Tel: (0273) 475411 (68C4000)

London Property

59.61 ONSLOW GARDENS

SOUTH KENSINGTON, LONDON SW7

A selection of superbly modernised luxury flats and maisonettes retaining many original features in this fine Victorian building facing West over landscaped communal gardens.

Features include:

- Interior Designed Show Flats
- Luxury Fully Fitted Kitchens
- Luxury Fitted Bathrooms
- Video Entry Phone Systems
- Telephone and TV Points
- Independent Gas Central Heating
- Fitted Cupboards
- High Quality Fitted Carpets
- Landscaped Communal Gardens
- Some flats have Terraces or Patios

Studio Flats from £85,000
1 Bedroom Flats from £150,000
2 Bedroom Flats from £185,000
3 Bedroom Flats from £375,000

LEASES 62 YEARS
Show Flats open Monday-Friday 11.00-7.00
Saturday and Sunday 11.00-4.00

Hampton & Sons

LANCASHIRE, NEAR BURNLEY

Preston 15 miles. Manchester and Liverpool 30 miles.
A magnificent Grade II listed Georgian house occupying a commanding position in a fine parkland setting. Suitable for a number of institutional uses (subject to planning). Reception hall, drawing room, dining room, library, study, morning room, kitchen and domestic offices. 78 large bedrooms, 4 bathrooms, 2 flats and 10 secondary rooms. Oil-fired central heating. Heated swimming pool. Beautiful gardens and grounds. About 36 acres in all.
Offers invited on £275,000 Freehold
6 Arlington Street, London, SW1A 1ER. Tel: 01-493 8322

SMITH-WOOLLEY

CHARTERED SURVEYORS LAND AGENTS AND VALUERS
SUFFOLK
Ipswich 8 miles, Colchester 12 miles, A12 1 mile

FINE LISTED COUNTRY HALL AND COURT HOUSE
WINNING TWO ARCHITECTURAL AWARDS
The Hall: The Great Hall, Drawing Room, Dining Room, Library, Study, Kitchen, 6 Bedrooms, 1 Bathroom (2 en suite).
The Court: House Full length Gallery, Hall, Vestibule, Reception, 2 Large Bedrooms, The Office and Grounds include Swimming Pool, Lake, Woodland, Golfing
Residing in all in about 4 1/2 ACRES

FOR SALE BY PRIVATE TREATY
Details: 2228 Bridge Street, Cambridge CB2 1LJ
Telephone: Cambridge (0223) 320000
London, Cambridge, Bath, Colchester (Wotts), Norwich, Woodstock AMC AGENTS

Callander Wright

MIDDLE EAST RESIDENTIAL PROPERTY EXHIBITION

For the second time this year the directors of Callander Wright will be hosting a central London residential property exhibition in Bahrain. Should you wish your property to be included in this exhibition, please telephone one of the directors who will be pleased to provide further information.

REGENCY INTERCONTINENTAL HOTEL, BAHRAIN 8-10 NOVEMBER
CHEYNE GARDENS, CHELSEA, SW3.
A fine period house of immense character at one of Chelsea's premier addresses. Hall, cloakroom, 3 reception rooms & bedrooms, 3 bathrooms, superb kitchen/breakfast room, 4 rooms, kitchen and bathroom. 50' walled garden.
Lease 57 years. Sale Agents

SOUTH KENSINGTON, SW7.
A beautifully presented 2nd floor flat overlooking garden. Hall, Reception room, 2 bedrooms, 2 bathrooms, kitchen. £169,500
Lease 99 years.

Fax: 01-581 6615 Telephone: 01-581 6131

SOUTH KENSINGTON

VIEW TODAY BY APPOINTMENT
10.00am - 2.00pm, 01-235 0725

In the Heart of **SOUTH KENSINGTON SW7**
A selection of spacious apartments in a large period building offered with 998 year lease.
Independent Gas Central Heating, Passenger Lift, Excellent Common Parts, Terraces and Patios.
Prices £87,500 - £195,000
Joint Sole Agents
STUART WILSON
01-584 6162 01-235 0725

SUPERB NEW CONVERSION
2 AND 3 BEDROOM FLATS FOR SALE WITH EXCELLENT FITTED KITCHENS, BATHROOMS, FULLY CARPETED AND NEW COMMON PARTS
LEASE 125 YEARS Joint sole agents: £110,000
Callander Wright 01-581 6431 W.A. ELLIS 01-581 7654

TWO MOST BEAUTIFUL BEECH WOODS IN THE CHILTERN

Easy reach of London
277 acres in 2 lots

Bledlow and Hollyhill woods. Within 10 minutes of the M40 between Marlow and Princes Risborough. Mature beech woods of immense charm and commercial value. Good sporting opportunity within an hour of central London. Offers in the region of: £260,000 Lot 1: 232 acres. £60,000 Lot 2: 45 acres

Full details from:
Anthony Hart BSc(For)
BIDWELLS FORESTRY
Chartered Surveyors
Trumpington Road
Cambridge CB2 2LD
Telephone (0223) 841841

Overseas Property

SOUTHERN SPAIN FINCASOL

The Property Experts in Southern Spain

- Fincasol are THE Agents on the spot, with offices at Sotogrande and Marbella.
- Fincasol represent the best developments in the area.
- Fincasol has years of experience in buying, selling and constructing houses and offers a choice of both coastal and inland properties.

Meet our Experts and see for yourself

Special Presentation at the CHURCHILL HOTEL
Portman Square, London W1
in the Edward Penthouse Suite on Wednesday 22nd October, from 11am-8pm

For further information contact Fincasol Ltd.
Head Office: 4 Bridge Street, Salisbury SP1 2LX, Wiltshire. Tel: 0722 26444 Telex: 477517 WTS.G
London Office: 18 Queen Street, Mayfair, London W1X 7PJ Tel: 01-499 6187

EXCLUSIVE GARDEN APARTMENTS

From £40,000 with golf share rights.

A limited number of luxury garden apartments are now offered for immediate purchase on the exclusive Sotogrande estate, with occupation scheduled for late 1987.

Part of the prestigious Centro Sotogrande development will be in secluded, private gardens, with a swimming pool and good security. All will have garages and terraces with wide sea views.

The magnificent shopping and leisure facilities of Centro Sotogrande will be on the doorstep, as will Sotogrande's famous outdoor sporting facilities.

Prices represent the best value for money in Sotogrande and carry the right to a golf share.

- * One bed duplex penthouses. From £40,000
- * Two and three bed apartments. From £52,500

Visit the Fincasol exhibition at 'The Churchill', Portman Square, London W1, 22nd October 1988. Our team of consultants will be available to provide help and advice in the Edward Penthouse Suite, 11am-7pm.

Or contact one of our offices below for further details.

LONDON OFFICE
Fincasol Ltd,
18 Queen Street, Mayfair,
London W1X 7PJ
Tel: 01-499 6187/491 1670

HEAD OFFICE
Fincasol Ltd
4 Bridge Street, Salisbury,
Wiltshire SP1 2LX
Tel: 0722 26444
Telex: 477517 WTS.G

*Prices based on current exchange rate of £1.00 = 200 Ptas

18, QUEENS GATE SW7. £375,000
Spectacular Penthouse Apartment with not just one, but two roof terraces in newly refurbished period building.
3 Bedrooms, 2 Bathrooms, Drawing Room, Dining Room, Kitchen.
124 Years. Viewing Today & Tomorrow 10-5
CHESTERTONS RESIDENTIAL
116 Kensington High Street W8. 01-837 7244

BLADE & CO.

HADLEY WOOD, HERTFORDSHIRE

ADJOINING CHURCH AND WOODS - ONE OF THE FINEST CHARACTER STYLE RESIDENCES IN THE DISTRICT'S PREMIER TOWNING. IN GROUNDS OF THREE ACRES with extensive pool and tennis court, Lounge hall, chandelier, library, wood paneling, drawing room, dining room, morning room, kitchen, laundry, 2x bedrooms, dressing room, three bathrooms, magnificent SOUTHERLY VIEWS. Detached triple garage built with marble over, and basement. (View as well as self contained staff quarters).
£1,790,000 FREEHOLD
Colour brochure from BLADE & CO. Telephone 01-445 3694

COSTA BLANCA AND COSTA DEL SOL

BUY DIRECT AND SAVE MONEY
VILLAS, BUNGALOWS, TOWNHOUSES, APARTMENTS
We offer value for money in Prime Positions
From £10,000 to £100,000
Call for Brochure and further information
INTERVENTAS ESPAÑA S.A.
Green Caja Terrazas De Madrid
145 Oxford Street, London W1
01-634 0464
(24-hour Answering Service)

EURO PROPERTY ADVISERS

The Specialist Overseas Property Company
Our Portfolio offers prime developments exclusive re-sales custom-designed villas investment projects
MARBELLA - SOTOGRADE & ALSARVE
0722 330847
27 New St. Salisbury SP1 2PH

GREAT INVESTMENT OPPORTUNITY IN FLORIDA

For Sale: 2 building plots each approx. one-third acre on Golf Coast. Unspoilt wooded area overlooking sea & superb beach. Now being developed with high quality homes. All services. £18,000 per plot.
Tel: 0763-94764 (even)

CANNES

SELECTION OF PRIME VILLAS, HOUSES AND APARTMENTS
from US\$400,000 up
Tel: 33 (France) 93.63.95.69

New from ELLIOTT

Our international reputation of many years for luxurious developments of quality allows us to offer "charter" memberships at special prices at our two latest leisure projects, on the shores of Loch Tay and on the waters edge at Salcombe.

KENMOR CLUB
Country club on Loch Tay SCOTLAND

MARINE QUAY
Club Apartments, Salcombe SOUTH DEVON

Set in the historic gardens of Tynmouth Castle, our houses and magnificent leisure centre offer golf, salmon fishing, sailing, indoor pool in the heart of the beautiful Scottish Highlands.

Overhanging the lovely yachting estuary, each apartment with private balcony commands unparalleled views. Built in the grounds of the Marine Hotel, receiving 24-hour luxury service.

For full details contact: Elliot Property & Leisure Group Ltd, 31, St George St, London W1. 01-491 2677.
Please tick - Kenmore or Salcombe
Name _____
Address _____
Tel _____

La Plagne

APARTMENTS FOR SALE. NOW AVAILABLE. WHOLE OR TIME SHARING. CHAMPAGNE CUISINE. 2 1/2 COTTAGE. 2 1/2 Cottages. 2 Cottages. 2 Cottages. 2 Cottages.

FULL COLOUR RESIDENTIAL PROPERTY ADVERTISING

Will now be a regular feature on these pages
To find out more call Ruth Woolley or Lesley Proctor on 01-248 4896/01-489 0031

Skiing is booming, with 30m followers worldwide. As the season starts we look at four European resorts

To buy or not to buy?

THE MOST distinctive status symbols for the holiday skier are not the latest designer ear-muffs, but simply your own skis. The sense of inferiority for the "have nots" begins at the airport, as the "haves" load their elongated body bags into the trolleys, and is intensified at the resort in the hire-shop scramble as the fitter casts a cursory glance and reaches for a pair of worn-out compacts.

British "haves" are in a minority. According to Ski Thomson, between 10 and 15 per cent of their clients bring their own skis, and an additional 5 per cent have boots. But with a growing UK market—now put at 600,000 skiers—the number is rising.

"It is in the second or third year especially that people start buying some equipment," says Mark Weenborn, marketing manager of Ski Thomson. "They begin with boots because good boots are more important than skis, easier to transport, and often cheaper."

"Once people start investing in equipment, they tend to carry on. They see the logic of having their own. It is like any other sport, you get used to your own equipment."

This factor has to be put against the cost, although the equation is not simple because hire charges vary greatly from resort to resort and between four operators. Rental charges in this winter's brochures range, for six days, from about £6 to £19 for boots and £10 to £28 for skis.

For comparison, it would be easy to spend over £200 on buying skis, bindings and boots (plus the cost of annual after-care), and with the risk of a chattering mistake. Although one can try boots before purchase, few British holiday skiers know which ski is best for them.

"A lot of people think skis come in different lengths and that's about it," says Weenborn. "Ski manufacturers do little to dispel the ignorance—that is the novice's meat to make of such wonders as Fischer RC4 Vacuum Tecnic SLs, or Atomic ARC Team Bionic RSs."

To give some guidance, last season Ski Thomson introduced with Salmon and Roesiggen a test week for clients to try, free of charge, different species of skis and binding. "After people realised there wasn't a hitch, it was very well received," says Weenborn, and his company will repeat the idea in January at the French resorts of Les Arcs and Méribel-Mottaret.

Snowtime, the specialist operator to Méribel, will also be running a free ski test week, in conjunction with Ski Special magazine, from next April 4. Last April I tried a similar week with Snowtime and found it enlightening, if rather humbling, since whatever deficiencies

operator to Méribel, will also be running a free ski test week, in conjunction with Ski Special magazine, from next April 4. Last April I tried a similar week with Snowtime and found it enlightening, if rather humbling, since whatever deficiencies

Roland Adburgham in Méribel, France, considers the pros and cons of owning your own equipment

the skis might have been more than outweighed by one's own machine 51—8 on 84—

"The British are ill-educated about skis," says Chris Thomas of Ski Special, who dispensed advice on such mysteries as DIN settings on bindings.

"There are basically three types of skis: the beginners' which the shop knows are going to get knocked about, with the cheapest bindings; the intermediate, middle-of-the-road; and the premium ski for the person who knows what he or she wants and chooses a particular ski, if they have it, and bindings." (Snowtime will arrange hire of superior boots and skis at a supplement; Inghams is another operator to do this at some resorts).

For intermediates—that is, most of us—the ski makers are constantly searching for the ideal compromise between hard and soft skis. Don Kramer, the chairman of Snowtime and no mean skier himself, explained the difference: "A soft ski moulds better to moguls and absorbs shocks. A hard ski edges better on ice and long carving turns."

The holiday skier seeking to buy a pair needs another compromise: a ski that is not too demanding for his or her present ability, but that will allow for hoped-for improvement during the ski's lifetime. Few people can afford to trade up every few years. "You can reckon on 14 weeks of skiing for the life of a ski before it loses some flexibility," said Kramer.

The first day of the test week, I tried a brand new pair of Dynastar Omnesoft 190s, and enjoyed what a car salesman might call a "smooth ride." But they were hard to edge and disconcertingly slippery. My sense of being ill-at-ease on skis was more than compensated for by the discovery of Méribel as an idyllic place for a "test drive." It lies at the heart of the Trois Vallées, with Courchevel to one side and Val Thorens to the other. With over

150 lifts and 500 km of marked runs, the Trois Vallées claims to be the most extensive skiing area in the world. Méribel itself is a rather straggly village, founded just before the second world war by the British skier, Peter Lind-

my preferred skis of the week. But it was hard to assess comparative performance—not least because of conditions varying from fresh crust to cloying slush—and ultimately it came down to a subjective "feel," as with the choice of a tennis racquet or even a car.

This was certainly the case with my last test pair, Kastle SX Super Sport 195s. I was told that it was a soft recreational ski even though it described itself, rather menacingly, as having a "pre-tuned racing base."

If so, I failed to do the skis justice down a tricky black run, with lumpy ice, to have lunch in the original village of Courchevel at 1,300 metres. This is below three other Courchevels which have been developed at higher altitudes, with rising degrees of sophistication. At the Bistrot du Praz, a country restaurant nestling among the old timber houses beside a frozen lake, one could do justice to the *lotte de mer en feuilleté à la crème d'oseille*. Test driving may be hard work, but there are rewards.

Snowtime also runs a free shuttle bus and guiding service, a boon with such a plethora of pistes. These include a spell-binding Europe Cup black run, the Georges Manduit, which I skied on the second day with Head Radial 190s. These I found easier to control than the Omnesofts.

The following day, a pair of Kastle X2 450s took me on a hard dog-legging run to Val Thorens which, in a white treeless bowl at 2,300 metres, is said to be the highest ski resort in Europe. In a driving snowstorm, it felt like it. The Kastes proved highly manoeuvrable but, perhaps because at 185 cm they were slightly shorter, seemed to glide too slowly.

Next came Atomic Sport 190s, which proved quicker and nearly as easy to turn and were

my preferred skis of the week. But it was hard to assess comparative performance—not least because of conditions varying from fresh crust to cloying slush—and ultimately it came down to a subjective "feel," as with the choice of a tennis racquet or even a car.

This was certainly the case with my last test pair, Kastle SX Super Sport 195s. I was told that it was a soft recreational ski even though it described itself, rather menacingly, as having a "pre-tuned racing base."

If so, I failed to do the skis justice down a tricky black run, with lumpy ice, to have lunch in the original village of Courchevel at 1,300 metres. This is below three other Courchevels which have been developed at higher altitudes, with rising degrees of sophistication. At the Bistrot du Praz, a country restaurant nestling among the old timber houses beside a frozen lake, one could do justice to the *lotte de mer en feuilleté à la crème d'oseille*. Test driving may be hard work, but there are rewards.

Snowtime also runs a free shuttle bus and guiding service, a boon with such a plethora of pistes. These include a spell-binding Europe Cup black run, the Georges Manduit, which I skied on the second day with Head Radial 190s. These I found easier to control than the Omnesofts.

The following day, a pair of Kastle X2 450s took me on a hard dog-legging run to Val Thorens which, in a white treeless bowl at 2,300 metres, is said to be the highest ski resort in Europe. In a driving snowstorm, it felt like it. The Kastes proved highly manoeuvrable but, perhaps because at 185 cm they were slightly shorter, seemed to glide too slowly.

Next came Atomic Sport 190s, which proved quicker and nearly as easy to turn and were



Skating pretty but, warns the Good Skiing Guide, ski clothes can owe more to fashion than to function

Bordering on perfect powder

JUST WHEN we thought it was safe to put our skis away—there it was: the best, most glorious powder of the winter. It was rather like putting your sun creams and silly shorts away with a sigh at the end of summer, only to find October bathed in the most unexpectedly warm glow.

Perhaps it was luck, but I was unprepared for the joys of skiing in the French Southern Alps. I had always assumed that skiing in France was all about places such as Les Arcs, La Plagne and Val d'Isère. To be honest, I had sneered smugly to myself when I discovered our destination, thinking that it would be quaint but limited.

Ski Sun Med—our hosts—were also new to me, but this part of France is very much their territory.

The sun was blazing when we started to explore Risoul. The resort claims more sunshine than any other in France. It was mid-March, and there had been a heavy snowfall. It was the powder I'd waited for all season.

In as much as a man aged 42 and weighing 15 stone can gambol, I felt like a spring lamb, shaking the fresh, feathery snow from my nostrils. After a season which had included visits to some of Europe's best resorts, it seemed ironic to find perfect conditions in a place I had never even heard of. As a bonus, Risoul includes one of the most amusing runs I've come across. There is the most exhilarating gun-barrel where you can make half-a-dozen or so sweeping roller-coaster turns before cutting off for a shortish but very steep black run.

There is plenty of skiing here for the most ambitious intermediates. And there is more over the Col du Vallon at the twin resort of Vars-Les-Clauses. Both resorts are purpose-built, but nothing like the high-rise concrete constructions that

Arnold Wilson on the pleasures of the French southern Alps and their Italian neighbours.

many people find such an eye-sore in some of the better-known French resorts. These are built tastefully and snugly in the traditional style of a Dordogne village.

Not far away, close to the Italian border, is the resort of Montgenevre. This is the starting point for the splendid route across the frontier deep into Italy best known as the Milky Way.

The scenery as you leave France and head for Clavier is outstanding. You quickly realize that you have crossed the border when skiers in your vicinity suddenly seem to boast more olive-toned tans, more colourful ski clothing, and much flashier equipment. Depending on how early you set out, you can press on to Casana Torinese, Sestriere, and—if you really get a move on—the all-way to Saaze d'Oulx.

Then, with the sun still beating down, you can take a late mountain lunch and head for home. Don't linger too late, though, or you might find yourself searching for lodgings in Italy. Another French resort in the area which was totally unknown to me is Les Orres. It's a medium-sized sort of place, wonderful for intermediates, and when there is fresh powder, wonderful for off-piste fanatics. High near the Petit Vallon I found powder of such quality and lightness that I couldn't tear myself away from it—even for lunch.

TRAVEL DETAILS: MONTGENEVRE TRAVEL DETAILS. AIRPORT: Turin, transfer 2 1/2 hours. EQUIPMENT HIRE: Six days skis £25, boots £70, country gear £25. PACKAGE OPERATORS: Club 18-30, Meads to Measure Holidays, Ski & Snow. TOURIST OFFICE: (342) 21000.

Travel details are from The Good Skiing Guide, the indispensable handbook on the 200 best European winter sports resorts, edited by Chris Gill and Adam Ruck (Consumers' Association and Hodder & Stoughton, £8.95, 480 pages). The guide recommends Wengen in Switzerland for beginners and St Anton in Austria for black-run enthusiasts. Méribel in France is recommended for its vast skiing areas. Kirchbach in Austria for its night-life and Alpbach, also in Austria, for its Alpine charm.



The morning after the night before in Courmayeur, an attractive Italian resort known for its après-ski facilities

Holidays and Travel Winter Sports

SKI BEACH VILLAS

BEST RUN FOR YOUR MONEY

Staffed chalets in Switzerland, France, Andorra and the Italian Dolomites.

- Generous Group Discounts
- Free UK airport parking
- A Cordon Bleu Chalet Girls

Ring for our new brochure (0223) 350777 (24 hrs) or call at our London Office 65 Fenchurch Street, E.C.3

Ski Beach Villas, Dept FT, 8 Market Passage, Cambridge CB2 3QR
 ASDA 1452/CATL 3118/Rev 01/88

Overseas

JAMAICA

How about an exotic holiday in Glasgow?

Swaying palm trees, shimmering sands and exotic scenery don't spring instantly to mind when you think of Glasgow. But my thinking of Glasgow, Jamaica instead. The Glasgow we've got in mind is a far cry from the one in Scotland. It's always warm, sunny and welcoming with a rather more tropical feel.

For the Jamaica Information Pack write to: Jamaica Tourist Board, 50 St James's St, London SW1A 1T (01-499 1707).

ski la plagne

La Plagne is unbeatable for snow reliability, variety of skiing, long hours of sunshine and the efficiency of uphill transport (63,000 skiers per hour). 193km downhill skiing, enabled by 95 lifts and cablecars. Slopes, ski runs and lifts start close to excellently equipped self-catering residences and hotels. First-rate family facilities. Considerable reductions before Christmas and in January. Rental and Ski Pass from £89 p.p.w.

For information and reservations, contact: ENVA LOW CONSULTANTS Official La Plagne Representation Service Dept FT, 9 Rectory House, London SW7 5HE. Telephone: 01-584 2841 (24 hours) 01-584 7820

Personal

QUARRY SHIRTMAKER SALE OF Mr. Fish SHIRTS AT £27.50

52 Pimlico Road London SW1W 8LP Telephone: 01-730 3193

SKI-SWITZERLAND-FRANCE-ITALY

Excorted tours for beginners and experienced. Single, couples, family groups. Fully inclusive: Flight, Hotel/Apts, transfers, hire of ski & boots, instruction, insurance.

All FROM £205

Book now - all dates included in brochure. AIRC. SKI-ING HOLIDAYS 212 Old Churchchurch Road Bournemouth BH1 1PD Tel. anytime during evening weekends 0202 290026

FAMILY FREEDOM SKI HOLIDAYS

THE GREAT ESCAPE FOR PARENTS BY AIR FROM ONLY £719

Families now really can afford to ski and we'll look after the youngsters. Special Ski School. Hundreds of FREE holidays for children under 16. FREE insurance & FREE lift Passes on many dates in Dec./Jan.

SKI FREEDOM SKI HOLIDAYS in Switzerland, France & Manchestaer 01-741 061-258 0019. ATOL 432.

DENEY TABLEWARE and Solution

announce an extraordinary promotion to be held at 27 Colindale Ave, Finchley, London, N2 7DE from Monday 10th October 1988 for two weeks only

Bring us your old tableware—regardless of make, age or condition and part exchange it for as little as many items of your choice from the range of tableware patterns.

We guarantee you £1.50 for each item received for your old tableware. This means that your present china, earthenware, stoneware or porcelain could be worth more than you said for it.

SOLUTION — 01-248 5217

The People to Ski with!

For chalet, self-catering and hotel holidays. Book before 1/10/88 for Easter one fabulous raille

Guarantee no currency shortage

For our exciting brochure 01-584 5060 (24 hrs) SNI SUPERTRAVEL

SNOWTIME LTD

We are the largest tour operators specialising in MÉRIBEL, CHALEY & VAL THORENS SELF-CATERING ENJOY OUR EXPERIENCE 01-836 5237

Art Galleries

KING STREET GALLERIES, 17, King St. St. James's, SW1, 01-430 9302, TRIVOLI BOYER 22, Old Bond St, W1, 01-499 1311

MAASBROUUGH, 6, Albemarle St. W1. AVIGOOD, ARIKKA, Oil Paintings, Pastels & Drawings, 2-29 Oct. Hill, Cr. Hill, Mon.-Fri. 10.5-3.30, Sat. 10-12.30.

OLD MASTER DRAWINGS AND WATER-COLOURS FOR CHRISTMAS PRESENTS, 23-25 Old Bond St, W1, 01-499 1311

PARKER GALLERY, 12a-12b, Berkeley Square, London, W1, 01-499 5308 (copposite Mayfair Hotel), 01-499 5308

RICHARD GREEN, 44, Dover Street, W1, 01-493 3939. Annual exhibition of superb paintings. Daily 10-6; Sat. 9.30-12.00.

UK Holidays Hotels

STAYING IN LONDON?

Take a Luxury Service Apartment at St James's from only £50 plus VAT per night for two

Every comfort. Private telephone. Exceptional value

Ryder Chambers, Ryder Street, Duke Street, St James's London SW1 Tel: 01-493 2341

FLY DAILY TO DAVOS SWITZERLAND

from Heathrow OR Manchester Choose your own travel dates and very comfortably 12* flights with Professional Ski Guides and 1st class service

For our brochure: TAILOR-MADE SKI TOURS 20 Farnham Way, Borehamwood, Herts. SG8 1AS Tel: 0225 859598

Motor Cars

2 x BMW 324i rhd, 2 dr, model 83, low mileage, each 17,500 DM.

1 x BMW 224i rhd, model 82, low mileage, 17,300 DM.

1 x BMW 524i rhd, model 82, low mileage, 16,900 DM.

1 x BMW 324td rhd, new vehicle, 0 km, constant, excellent. 28,000 DM.

1 x BMW 724i rhd, new vehicle, 0 km, constant, excellent. 38,000 DM.

All prices 100 Germany. Inquiries please by 0593-9061 or telex 6252900 FBA d & G. Germany. Agent wanted.

Old customs and new runs

I HAVE always felt that there is something slightly masochistic about skiing. There's the early morning struggle to cram bruised and swollen feet into their plastic spools, the back-breaking job of carrying skis to the nearest lift, and the first terrors of descending the mountain after a year of the sedentary life.

Still, each year I find myself facing the challenge with an exuberance shared only by lemmings during their dash to the sea. The fun of skiing comes with finding new places and different mountain tracks to test one's skills. This year I headed for the slopes of Bormio, the Italian resort which hosted last year's World Skiing Championships, an event that takes place every four years and is a considerable honour for the chosen resort.

Bormio, not far from the Swiss border in the north of Italy, lies in a plain where three valleys meet. From the 12th century, Bormio was an important centre of commerce because it held control of the trade routes over the Alpine passes to northern Europe.

Even today, many traces of its past remain, with a wealth of ancient churches and frescoes which have been carefully preserved.

Many old customs are still observed, such as Pasquali—a festival at Easter where lambs adorned with ribbons and

flowers are presented to the local churches by a man or boy dressed in the local costume. Another custom is that of the Séra, which penalises a woman wishing to marry outside the area. Any prospective husband not from Bormio has to pay for the privilege of taking a local bride. The wedding party is forced to stop in front of a ribbon stretching across the road where a payment is made.

So Bormio has managed to preserve its heritage and combine this will all the facilities necessary for a town aspiring to international skiing fame. In preparation for the world championships it built new ski lifts and opened new runs. Ski-

ing is concentrated on one mountain which at its peak rises to 3,000 metres. Often it is possible to ski down to the village—a drop of 1,775m along a 13km trail that is one of the longest in Europe.

The skiing is varied, tending to suit the moderate-to-good skier. There are more than 80km of prepared runs reached by 28 lifts.

Along with improvements in its skiing facilities, Bormio has, through local taxation, built a new conference centre, an ice rink, and installed snow-making equipment. This is in addition to a relatively new swimming pool heated by thermal springs and a concert hall.

Thus there is quite a variety of entertainment, as there is in hotel accommodation. Rather than take full board in one of the larger hotels, my family opted for a small family-run hotel, the Cima Bianca—so named because it has views of

the main skiing mountain. This enabled us to sample the local cuisine in the many restaurants dotted around the town such as the Vecchio Combo, which specialises in Bormese food.

The De Gasperi family which runs the Cima Bianca are typical Bormese, and fiercely proud of their home and town. Because of their concern for a future for their only daughter, Emilia, they built the hotel about ten years ago. Recently, Emilia, now 20, joined the family business. In her spare time, she plays the flute in the town band.

Staying in a small hotel helped me get a flavour of the town as well as enjoy the skiing. Surprisingly, few visitors travel to Bormio in the summer, despite the stunning beauty of the area with its show of Alpine flowers. Most visitors, it seems, prefer a white covering of snow to a carpeting of colour.

AIRPORT: Milan. Transfer 4 1/2 hours. EQUIPMENT HIRE: Six days skis £25, boots £70, country gear £25. PACKAGE OPERATORS: Club 18-30, Meads to Measure Holidays, Ski & Snow. TOURIST OFFICE: (342) 93300.

The art of coarse skiing

IT WAS the kind of silly accident that is the stuff of novice skiers' nightmares, combining a not inconsiderable measure of fear with the maximum of personal humiliation. It happened on what should have been an enjoyable and routine early morning assault on the mountains, courtesy of a drag lift, with the sun up above and the scent of pine in the nostrils.

This particular drag was of the T-bar variety, a bizarre mode of transport which requires two people to perform a grus belabouring act with their bottoms perched precariously on either side of a T-shaped piece of metal as they are dragged up the mountainside. It helps to be on a T-bar with a partner who is roughly your size. I am particularly small; my partner was rather large.

Whatever the cause, the upshot was one of those accidents that live forever in the memory. In very, very slow motion: without warning and for no apparent reason our skis touched slightly. They then separated, but not before setting us off balance and inducing another, more noisy and elaborate meeting of skis and limbs. We both crashed to the ground, barely escaping a

behind us, and began slithering helplessly down the mountain. When we eventually stopped we faced an uncomfortable dilemma: how to get back to the bottom of the lift. On one side there was a ravine; on the other, a dark, thick mass of pine trees clinging to an extremely steep mountainside covered in a season's deep and very off-piste snow. The sensible thing would probably have been to take off our skis and slowly walk back down the side of the drag. Instead, we chose the pines, in the hope that they would eventually lead us on to a ski run. They did, but only after half an hour of exhausting and bruising tangles with some very hard tree trunks.

The venue for this exercise in the art of coarse skiing was the southern Austrian village of Bad Kleinkirchheim, in every other respect, is a resort ideally suited to less-than-

more advanced skier—Franz Klammer, the great international champion, is a local boy who learnt his skills here. A demanding 3km black run is named after him. The village was also the site of the women's racing events in the 1985 World Cup. But Bad Kleinkirchheim is normally classified as a centre for "intermediate and family skiing."

One of its major attractions is that it is only now being discovered by the outside world. British holiday companies have just recently started to offer packages. This means that it is not very crowded.

Bad Kleinkirchheim—which

Klagenfurt airport—is much better known as a resort for the summer, which is when the surrounding Carinthian region attracts 80 per cent of its tourists. Bad Kleinkirchheim itself has the additional attraction of being a spa village, with healing waters and many a beauty salon and massage room. There are five indoor and four outdoor pools heated by natural thermal springs. The Romerbad Centre is a particularly large and impressive health complex. The pools operate round the year, offering a therapeutic end to a hard day's skiing.

The two villages together have 80 kms of pisted runs with an average run of 3.5 kms. There is a ski school, with about 50 instructors, half of them able to give lessons in English. There are two children's ski schools and a children's Kindergarten (with limited English).

Apart from the pools, the facilities include cross-country ski runs, with trails at 1,100, 1,350 and 1,900 metres, ice skating, tobogganing and indoor tennis courts. As for nightlife, the area has about 40 bars and restaurants, including four discos/bars: Die Alte Post and Tenne with live music, and the Kaiserburg Keller and Tayeras

0111111111

INDEPENDENT SCHOOLS

Private education has been increasing its share of the market, but there are political and economic uncertainties ahead, as Michael Dixon, Education Correspondent, reports here.

OF ALL THE countless words written about pupils of independent schools, perhaps the best known were coined by the English 18th-century poet, Thomas Gray. "No sense have they of ill to come," he said in his Ode on a Distant Prospect of Eton College, "nor care beyond today."

If that comment is still generally true of the independent sector's pupils — and youth being youth, it probably is — Gray's words are certainly not true of the people responsible for managing the sector's schools. Were it not for the earnest discussions continually going on among the head teachers, bursars, and other senior figures, a fitting description of the current atmosphere in their offices could well be Sir Henry Newbolt's: "There's a breathless hush in the Close tonight."

To judge solely by the statistical record of the fee-charging sector's recent progress, the schools' managers might seem to have little to feel pent-up about. Take for instance the survey of 1985-86 developments which was published in the summer by the Independent Schools' Information Service (ISIS). The findings showed that if the 1985-86 figures are taken as a base, 2,500 schools reflected the performance of the whole, then their combined share of the UK's school-aged population rose over the period from 6 to 6.5 per cent.

The increase was more impressive than the simple percentage figures make it seem. For one thing, the independents gained their increase even though the total of eligible aged children in the country fell by about 3 per cent. For another,

There have been developments that have set many fee-charging schools feeling edgy.

The schools added to their pupil rolls despite an average rise in fees across the sector of 9 per cent, which was half as fast again as the rate of inflation. But since the good news of the ISIS survey in the early summer, there have been developments that have set many fee-charging schools' management feeling edgy.

One such event, of course, was the recent Labour Party conference's resolution to start doing away with the independent sector immediately on Labour's return to Government.

The motion — carried overwhelmingly against the wishes of the party's executive, which wanted more time to study the implications — ordered a drive to take the independents into public ownership involving the removal of their status as charities and the imposition of VAT on their fees.

The resolution has made a fair number of people in the sector apprehensive even though pledges to abolish it in short order have been included in Labour Party leaders' public declarations throughout "living memory".

There is anxiety among the independents' supporters that the Labour leaders' ambitious promises in other directions now lead an added menace to

the oft repeated pledge to wind up the sector. "What scares us," said an ISIS spokesman, "is that they will probably not be able to deliver in other areas and will use this to placate their supporters."

The uncertain political outlook, however, is a lesser source of worry than is the long awaited "restructuring" of pay and job conditions for teachers in state-maintained schools in England and Wales. The changes to be agreed by central Government, local education authorities and teachers' unions nominally exclude private schools, but they are, in fact, inevitably conditioned by pay and conditions prevailing in state education.

"Although we would try to

keep fees down, it seems likely that the state sector will put 12 per cent on its pay bill which we will be expected to match," said Mr Gordon Smith, head of the Independent Belmont Junior School in London, in his chairman's speech last month to the conference of the Incorporated Association of Preparatory Schools.

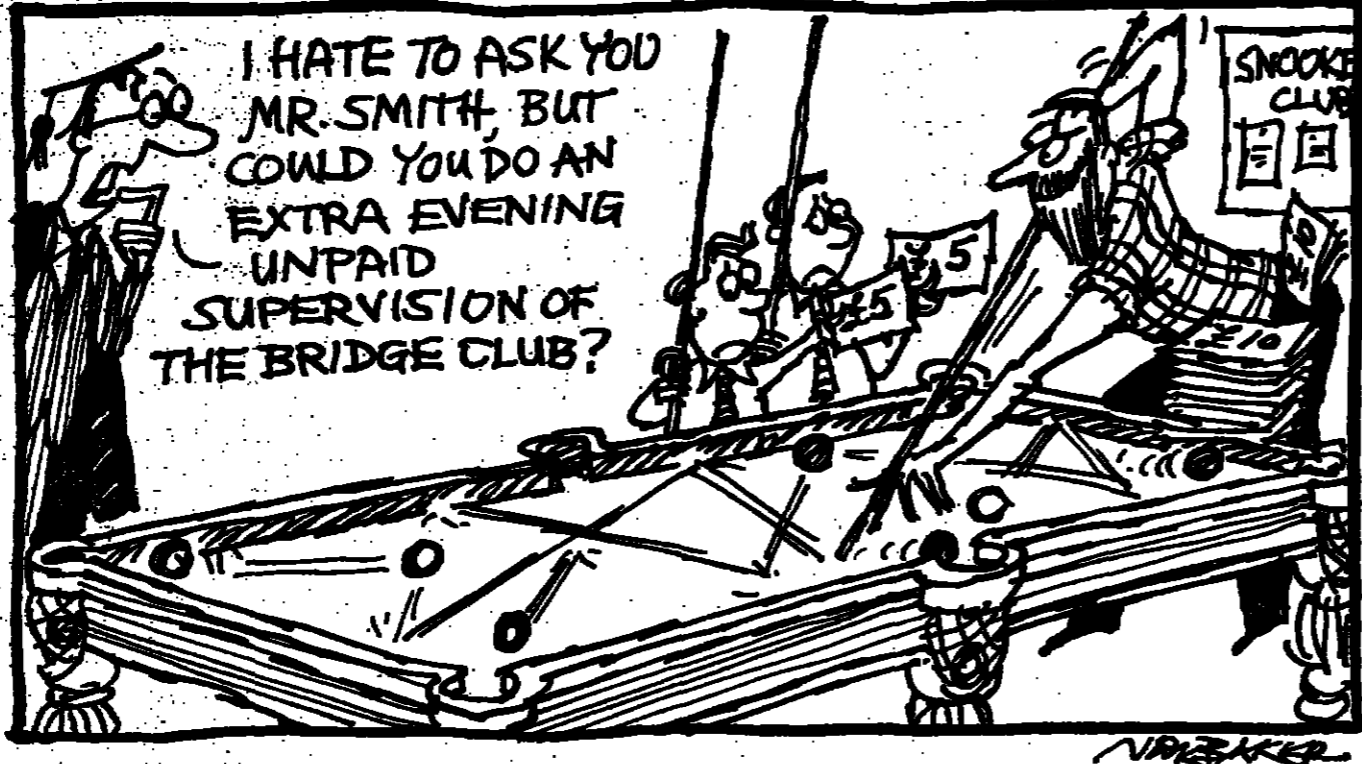
Similar misgivings were also voiced at the meeting of the Headmasters' Conference — the association representing many of the leading independents for older pupils — just over three weeks ago.

The concern is not just about the straightforward increases to teachers' salaries expected from the state-sector restructuring. There are also worries that the

changes will include a reframing of teachers' employment conditions which will remove from their normal duties the supervision of activities outside conventional school hours. The unions are pressing for staff who undertake such extra work to be given time off to compensate, or even overtime payments.

The implications are disturbing for fee-charging schools, and not only those largely taking boarders, where activities outside the normal curriculum tend to be considered a highly important part of the service for which parents pay the fees.

"In the past, people have assumed that there would be a member of staff on the site all the time," said Mr John Rees, head of Blundell's School in



Devon, which takes day-pupils and boarders alike. "In future heads have got to understand that teachers have a right to a private life."

Because of the changes to job conditions as well as pay rises in state schooling, therefore, numerous independent-school managements feel they will soon be facing a choice between two evils.

On the one hand, they might respond to the state-sector developments with further supra-inflation-rate increase in fee levels. The trouble is that although pupil numbers grew despite such an increase in 1985-86, average fees had been outstripping inflation for several successive years before that, and few schools feel confident that they can go on saddling their pupils' parents with added burdens for very much longer.

Short of imposing a further heavy rise in fees, some independents' leaders feel that their only way of coping with the knock-on effect of the changes in state education is to take in more pupils without increasing their staff of teachers.

The consequent need to teach in bigger classes would not necessarily reduce the quality of teaching the schools provided. All the research on the topic has shown that smaller classes are not linked with better measurable educational attainments.

But whatever the research evidence may be, parents who send children to independent schools attach prime importance to their generous teacher-pupil ratios. Across the fee-charging sector as a whole, the average ratio is about one teacher to 12.2 pupils, compared with one to 17.3 throughout state schools. A worsening of the ratio might well cause more resistance in the market than yet another hefty rise in fees.

Several heads are trying to find other ways out of the dilemma. They include trusting older pupils to supervise out-of-class activities such as the showing of films, and employing external experts as and when needed to give coaching in specialities including games and drama. But these devices seem most unlikely to solve anywhere near the whole of the growing problem facing the independent sector.

If independent schools are to continue flourishing in their present numbers, much will probably depend on the success of their managements in meeting a new challenge thrown before them within the past month — and from an unexpected quarter — which will be discussed in the second article in this survey.

	Schools entering sector	Schools leaving sector	Net loss (-) or gain (+) per year
Under Conservatives 1980-85:			
Total	286	345	- 59
Under Labour 1975-79:			
Total	328	212	+ 216
Excluding ex-direct-grant schools	198	212	- 14

Source: Department of Education and Science.

Government influence on school survival

IT IS widely believed that independent schools will inevitably thrive better under a Conservative than a Labour Government. But that belief is questioned by the table above. It shows how many schools in England have become fully self-financing, and how many have left the fee-charging sector in each of two periods — the final five years of the last Labour Government from 1975 to 1979, and the first six years of its Conservative successors from 1980 to 1985.

Under the Tories, a fairly regular number of schools — between 43 and 54 — have been registered by the Education Department as newly opening on an independent basis or separating themselves from the state sector in each of the half dozen years, giving a total for the period of 286.

Over the same time, the total closing or merging into the state education service was 345, resulting in an excess of "departures" over "entries" of 59 schools or a net rate of 9.8 losses a year. In 1980 the number of losses was 62. It then fell to 46 in 1981, before rising only slightly to 50 in each of the following two years.

During the Labour period, the total gains were inflated by the 130 semi-independent direct-grant schools which went fully independent with the abolition of the direct-grant arrangements from 1976. As a result former Education Secretary Mr Fred Mulley presided over the creation of more private schools than one go than anyone since Edward VI.

CHARTERS-ANCASSTER COLLEGE
 Boxhill-on-Sea, East Sussex
 Independent Boarding & Day School
 for 300 girls aged 3-13

Wide range of G.C.S.E. & A Level Courses. Excellent extra-curricular programmes Superior, newly modernised facilities
 SCHOLARSHIP EXAMINATIONS November 22nd, closing date October 30th
 Prospectus: Further details from the Headmistress,
 Mrs S. V. Chapman M.A., Telephone: 0424 211082

COBHAM HALL
 Headmistress:
 Miss Susan Cameron BA

Independent boarding and day school for girls aged 11-18, 23 miles from central London. Easy access to M2, M20 and M25, and airport.
 The School provides a sound academic education in GCSE, 'O' and 'A' level and university entrance. A wide range of extra curricular activities is also offered.
 Entrance examination for September 1987, for day and boarding, will be held at the school, which will be held on Friday 12th March 1987. For further details of admission, prospectus and prospectus, please apply to:
 School Secretary,
 COBHAM HALL, COBHAM
 KENT DA12 3BL
 Telephone: (0474 82) 3376

BEDSTONE COLLEGE
 (11 to 19)
 BEDSTONE PREPARATORY DEPARTMENT (8 to 11)
 BUCKNELL, SHROPSHIRE
 A RARE OPPORTUNITY IN BOARDING CO-EDUCATION
 Covering a wide range of academic, practical and sporting ability from the age of eight to university entrance through small classes under Honorary Graduates and specialists.
 Discretionary awards up to £700 per annum available for Services children in the Senior College Sixth Form entry for HM Services children allowance.
 Scholarship and Entrance Examinations 20 March 1987
 Tel: Bucknell (054 74) 303

THE BEST FOR YOUR CHILD!
 BEST EDUCATIONAL-CAREER
 For 20 years our professional assessments have helped parents reach the BEST decisions from the start. Full details at free brochures:
 ●●● CAREER ANALYSTS
 ●●● (01-835 5452 (24 hrs))

The Army can help educate your offspring. In more ways than one.

The Army needs well educated Officers and we're prepared to help bright people up the ladder of success.

A way to 'A' levels.
 We will help boys and girls who have the qualities of potential Officers while they study for 'A' levels, with a grant of £250 a term.

When they pass their 'A' level exams they're guaranteed a place at Sandhurst and paid the going rate while they're being trained.

WHAT IS REQUIRED TO GET A SHOT AT A 2 YEAR ARMY SCHOLARSHIP.

Interviews are held in the Spring and Autumn for boys, and just in the Autumn for girls. The purpose is to discover whether applicants have the potential to become Army Officers.

At the time of their application they must be between 16 years and 16 years 6 months. And must have, or be expecting at least five high grade 'O' levels, including English Language, Maths and a science or foreign language.

However, this doesn't preclude university.

Another way.
 Boys who are already embarked on 'A' level courses in Maths and the sciences can apply for one of the thirty Science Scholarships we award each Spring.

The object is to help potential Officers on their way to a career in one of the Army's technical corps with a scholarship for one year at £250 a term.

(Boys from both fee-paying and non-fee-paying schools are eligible.)
 When they complete their 'A'

levels they too are guaranteed a place at Sandhurst.

And yet another.
 If you have a technically minded son between the ages of 16 and 17½ and he can meet the requirements for a Science Scholarship (see box) he could be eligible for Welbeck.

WHAT IS NEEDED TO GET A 1 YEAR SCIENCE SCHOLARSHIP.

The applicant must have excellent grades in 'O' level Maths, Physics, English and at least two other subjects. And have the ability to convince an interview board that he has got what it takes to be an Army Officer.

Welbeck is an exclusive, residential, 6th form college in the Nottinghamshire countryside run by the Army.

The curriculum is designed to equip students for careers as Officers in the technical corps.

Again, on completion of 'A' levels, the student is guaranteed a place at Sandhurst.

About two thirds of the students go on to complete a degree course, the majority at Shrewsbury, the Royal Military College of Science, although some may compete for places at a civil university.

Two other ways to a university degree.

If your son aims to get a degree and wishes to become a Regular Army Officer, he can try for an Undergraduate Cadetship.

The requirements are demanding but successful applicants get a probationary commission and their tuition paid, plus at least £5,362 pa.

When they finish their degree course they go on to an Officers

training course at Sandhurst to confirm their commission.

THE REQUIREMENTS FOR AN UNDERGRADUATE CADETSHIP.

The applicant must be over 17 and intend to graduate before 25; be at, or have been promised a place at, a university, polytechnic or college of higher education; be able to pass the Army's 3-day Officer Selection Board and be willing to serve at least 5 years as an Officer (including the course at Sandhurst).

On the other hand, if your son or daughter is already reading for a degree, he or she could apply for a Bursary. This amounts to £900 a year; is tax free and additional to any education authority grants.

It is intended to help people who want careers as Army Officers to complete their degree courses. Applicants have to meet the challenge of the Army's three-day Officer Selection Board.

On graduation Bursars also do the seven months Officer training course at Sandhurst. On completion of which they can take up either a 3 year Short Service Commission or a Regular Commission.

At the end of a Short Service Commission, a useful tax-free gratuity is paid. A Regular Commission is pensionable.

Can we help you?

Write to Major John Floyd, Army Officer Entry, Dept F629, Empress State Building, Lillie Road, London SW6 1TR.

Tell him your son or daughter's date of birth, school and academic qualifications and we will clarify and expand on what we have to offer.

Army Officer

WREKIN
 WREKIN COLLEGE · WELLINGTON · FOUNDED 1880
 H.M.C. Co-educational Boarding and Day School (13 to 18 years)

- Beautiful 100 acre rural setting in central England. ● 360 pupils. 140 in sixth forms.
- 10 to 1 pupil to staff ratio. ● Member of Headmasters' Conference ensures high teaching standards. ● Averaging in excess of 20 pupils into universities and a further 20 plus pupils into polytechnics annually. ● New theatre and music school. ● New girls house and new art school to open in 1987. ● High standard in games, flourishing CCF and outward bound activities. ● Academic, music, art and games scholarships. H.M. forces bursaries.

Send for prospectus to:
 THE HEADMASTER, WREKIN COLLEGE, WELLINGTON, SHROPSHIRE
 TELEPHONE TELFORD (0952) 40131

— Come to us —
OPEN DAY
 Sunday
 8th February
 1987
 2pm to 4.30pm
 1 mile from W44

REED'S SCHOOL
 Sandy Lane, Cobham, Surrey KT11 2ES

An H.M.C. independent Public Day/Boarding School for boys aged 11-18 providing a curriculum including music, leading to GCSE and 'A' level examinations and University entrance. Set in 56 acres of Surrey heathland the school offers a wide variety of games and recreational activities, CCF contingent and Duke of Edinburgh's Award Scheme. Entry at ages 11+, 12+, 13+ and 6th Form.
 Academic and Music Scholarships at age 13+ and sixth form in May each year. Limited Sixth Form 50 places.
 Enquiries to: The Headmaster (Telephone: Cobham (0332) 63076 or 68693). Easy access to Heathrow and Gatwick Airports

School fees made possible by C. Howard & Partners

& PARTNERS

A Member of the Edward Lumley Group of Companies

School fees are a major family budget headache. But by planning ahead with C. Howard & Partners, the leading planning specialists, you will not only stop school fees becoming a problem, you can save thousands of pounds on the overall costs.

We provide individual advice, tailored to your needs and giving you the flexibility to use the benefits for whatever purpose you desire. And our service is completely free and without obligation.

With C. Howard & Partners, you can secure a private education for your children from money invested as a lump sum, from income or from a combination of both. Send now for full details, or phone one of our offices.

LONDON 01-439 8346 | MANCHESTER 061-941 2803 | BATH 0236 334625 | WELWYN 0707 331175

C. Howard & Partners are recommended by the Independent Schools Information Service as independent school fee specialists

Post to: C. Howard & Partners, Mitre House, 177 Regent Street, London W1

Name: _____
 Address: _____
 Telephone (Home) _____ (Office) _____
 Parents' ages _____ Child/children's age(s) _____
 Current proposed fees p.a. _____ Boarding fee p.a. _____
 Day fee p.a. _____ Proposed method of payment (please tick)
 from Income Lump Sum Income + Lump Sum
 FTAS6

C. Howard & Partners
 The Leading Specialists in School Fee Planning

This School Fee Trust Plan could slash your education costs.

School fee plans are not all the same as so many parents might suppose. Our new School Fee Trust Plan, linked to a trust with charitable status, will provide a head start in providing for school fees in the years ahead.

That trust basis, combined with our first-class investment track record, is the answer to your problem. And, what's more it is fully recommended by the National Independent Schools Information Service.

To: The Equitable Life, FREEPOST, 4 Coleman Street, London EC2E 2JL
 I'd welcome further details on your school fee plans, financing them by:
 I A capital sum; II Spreading the cost over a period. (UK residents only)

Name (Mr/Ms/Ms/Ms) _____
 Address _____
 Postcode _____ Tel (Office) _____
 Date of Birth _____ Tel (Home) _____

Founded 1762 FKABA

The Equitable Life
 You gain because we're different.

INDEPENDENT SCHOOLS 2

Grasping the technology nettle

IT IS not only mystics who believe in omens. Many hard-headed business people think there are certain key events which unmistakably signal a crisis in their trade.

"schools as we know them may, by the middle of the 21st century, be as obsolete as the steam locomotive or the paddle steamer."



Independent schools have to meet the challenge of new technology and social changes in Britain

advantage of either individual sixth-formers or the broader society. The most important overall aim of the educational changes, in his view, was that they should simultaneously develop young people's appreciation of and abilities in three areas.

school fees plan now for savings. We can show you how to save money: whether you are a parent or grandparent, whether you want to pay from capital or income, whether you are planning ahead or have left it late.

established businesses will have fewer and fewer 'ready-made' jobs to be handed to young people coming from education.

skills to do clerical jobs, of whom only a minority again had to be sufficiently developed intellectually to manage the concerns.

living they will not find many people willing to pay for their services whether directly or through taxes.

The third was liberty. In particular, the HMC, chairman added, "our pupils must be involved in political discussion and activities from an early age."

School fees reduced by two thirds. It might be news to you but if you want independent education for your children you can save up to 70% of the cost of school fees.

ST. MARY'S GATE Bournemouth. International Boarding and Day School for Girls, 8-19 years.

WISPERS SCHOOL Headmaster: L. H. Beltran, B.A. (Hons.) Haslemere, Surrey.

ST. CHRISTOPHER SCHOOL LETCHWORTH, HERTS. (500 pupils, boarding and day)

Looking for a Boarding School? There are many different independent boarding schools to choose from, and each has its own special attributes.

NORTHBOURNE PARK SCHOOL (I.A.P.S.) A preparatory school for boarders and day children aged 3-13.

ST MARY'S SCHOOL WANTAGE, OXON OX12 8BZ Independent Church of England boarding school for 300 girls aged 11-18.

ARE YOU A YOUNG EUROPEAN? Broaden your horizon by doing your A Levels in an international setting The British School of Paris

QUEEN'S COLLEGE LONDON SCHOLARSHIP AND ENTRANCE EXAMINATIONS FOR 1987

FRENESHAM HEIGHTS SCHOOL Rowledge, Farnham, Surrey Coeducational Boarding and Day

URSULINE CONVENT SCHOOL 225 Canterbury Road Westgate-on-Sea, Kent CT8 8LX

CRANFORD COLLEGE ILFORD (Founded 1876) Independent primary and secondary day school of 235 boys (15 A.A. and 15 J.S.).

THERE'S NOTHING UNIFORM ABOUT OUR SCHOOLS. Isn't it strange that some of London's better-known day schools seem to want every child to look and behave as much alike as possible?

PRIOR'S FIELD GODALMING, SURREY Tel: Guildford 810551

Concord College Established in 1949, Concord College has a reputation for excellent examination results.

DUNOTTAR SCHOOL Girls' Schools Association Head: Miss J. Burnell

WOLDINGHAM SCHOOL (Formerly Convent of the Sacred Heart) Scholarships for September, 1987 Entry



WOLDINGHAM SCHOOL (Formerly Convent of the Sacred Heart) Scholarships for September, 1987 Entry

TORMEAD SCHOOL GUILDFORD INDEPENDENT DAY SCHOOL FOR GIRLS AGED 5-18

QUEENSWOOD SCHOLARSHIPS Queenswood is an Independent Girls' Boarding School in Hertfordshire with excellent facilities for girls in the 11-18 year age group.

"Tomorrow's war will not be won on the playingfields of Eton, but rather in the computer rooms of Cheltenham..."

Talylyn Railway TYWYN, ON THE MID-WALES COAST Historic steam trains through Welsh hill scenery.

AMERICAN COMMUNITY SCHOOLS There's nothing uniform about our schools. In universities both in the UK and the US, something, incidentally, that we achieve considerable success - over 90% of our graduates proceed to higher education.

طراحی و چاپ

DIVERSIONS

Smart Marshall takes a long, lingering look at the NEC International Motor Show Beware the dazzling selection of goodies



A glimpse of things to come. Toyota's FXV concept car with all-wheel drive and steering, a 16-valve turbocharged 2-litre engine and a 5-speed automatic transmission

THE 1987 international motor show is overwhelming. Please leave the club, I suppose, soon to about 80 in the past 30 years. Time enough, one might consider, to have become thoroughly used to them.

But even now, as I step inside and am confronted by hundreds of motor cars, I feel rather like the man who wandered into Harrods intending to buy a blue tie. Having been shown hundreds of different ones of varying materials, prices, and patterns, he became so totally confused he left the store, deciding he really did not want one after all.

Externally, there is very little to distinguish them from the old models, but their engines — a 2.9 litre and a 24-valve 3.6 litre — are new, lighter and more efficient.

The Rover suspension is much superior to the Honda's and its styling and interior are more elegant. I thought the Rover handled better, too, though neither car will please a thrashing driver who may find the front end feels too soft. Prices will be lower for the Honda, but only by a small margin.



Vauxhall's new Carlton GL saloon has styling reminiscent of the smaller Astra and independent rear suspension



The new Suzuki Swift GLX Executive. Automatic transmission and air conditioning as standard for under £7,000



The new BMW 735i is a deadly rival of the new Jaguar, with a higher top speed, more interior space and a larger boot

From BMW, go to Rover and take a good look at new 800 saloons. Having just completed 1,000 miles in a Sterling automatic, I think more highly of the new Rover than I did after sampling it earlier in the year. It looks, feels, sounds and smells (mine had lovely leather trim) as a proper Rover should.

The mid-engined, 4 door, 4 seat FXV has a 16-valve, turbocharged 2-litre, driving all four wheels through a 5-speed, electronically controlled automatic transmission. The all-independent suspension is hydro-pneumatic, with electronic control, and all four wheels steer. Minimum fuel consumption is a feature of the AXV concept family car, which has a 1.1 litre direct-injected 3-cylinder turbocharged diesel.

And for my tenth suggested port of call, the Toyota stand. Normal production Toyotas such as the new Supra and MR-2 with T-bar top are well worth a look for their advanced engineering and clean styling but you can see these at a local dealership. The focus of attention should be the FXV and AXV concept cars. They point the way that Toyota thinks that high performance touring cars and family saloons will go in future.

Collecting

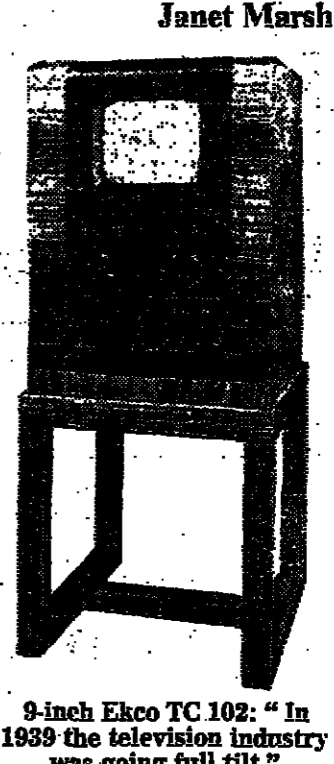
Viewed with nostalgia

TELEVISION has a growing history and—having now for several generations occupied centre place in the living rooms of the nation—a formidable accretion of nostalgia.

Both history and nostalgia figure in the current exhibition "Television in the Home 1926-1986" in the Lyre Room of the Royal Festival Hall (until November 2).

I belong to the dwindling band who remember television before the war. It was only a glimpse because I was very small in 1938. A photograph in the Festival Hall exhibition, recalls for me how it happened. The London newspaper, The Star, had a special presentation, "The Story of Television (television is here—You can't close your eyes to it)."

The sets are shown along with such period accessories as special TV lamps to provide the subdued illumination which until the sixties was necessary for comfortable viewing. However, there is no example of an aid to viewing that was widely marketed in the fifties, consisting of a transparent screen tinted in stripes of blue (at the top for sky), amber and green.



9-inch Ekco TC 102: "In 1939 the television industry was going full tilt"

INDEPENDENT SCHOOLS

OLD SWINFORD HOSPITAL SCHOOL STOURBRIDGE. Founded 1667. Full Boarding Fees £600 per term. 480 boys aged 11-18, mainly boarders. 125 in Sixth Form.

Millfield Senior School. Street, Somerset BA16 0YD. Telephone (0458) 42291. Scholarships and Bursaries for September 1987.

Millfield Junior School. Edgarley Hall. Glastonbury, Somerset BA6 8LD. Telephone (0458) 32446. Co-Educational. 450+ pupils and 62 teachers.

Cambridge Centre for Sixth-Form Studies. CCSS is an independent co-educational college offering the full range of six-form courses and facilities.

WEBSTER UNIVERSITY. THE FLEXIBLE WAY TO YOUR BUSINESS DEGREE! Webster University invites you to join its well-established career-oriented educational programme.

THE RICKMANSWORTH MASONIC SCHOOL. A non-denominational independent Boarding and Day School for Girls. The School with its modern and extensive facilities is situated in 315 acres of parkland with easy access to London and Heathrow.

MARLBOROUGH COLLEGE. Scholarships and Exhibitions, 1987. The College has 880 boarders aged 13 to 19, with 420 boys and girls in the Sixth Form.

English Public Schools. James McConnell. Portraits of 25 of the best and most famous public schools, showing what each of them has to offer today.

GCE JUNE 1987? Intensive tutorial courses commence January 1987. Applications also invited for EASTERN REVISION COURSE.

BRIDGE

MY FIRST hand comes from rubber bridge and I would like you to study it carefully: ♠ J 10 8 ♣ 7 6 4 ♦ A 9 7 5 ♣ Q 8 2 ♠ W ♣ E ♠ 6 5 3 ♣ 9 8 2 ♦ 10 3 ♠ K Q J 6 ♣ 10 8 4 3 ♠ J 4 ♠ A K 10 7 6 ♠ A K Q 9 4 ♣ A K O 5 ♦ 2 ♠ 9 5 3 ♠ South dealt with both sides vulnerable and opened the bidding with one spade, to which North replied with one no trump. South rebid three hearts. North gave simple preference with three spades, and South pushed on to four spades—a perfectly reasonable auction.

Adrian Barnett reports again from Ecuador's Mazan forest

Scientists on losing streak

DEEP IN Ecuador's Mazan forest, we are sick and tired of swinging machetes; we have seen birds, beetles and brackets which make up for all the muscle-ache and outbursts of bronchitis; we have solved the cooking crisis by hiring a local cook. When progress is slow up the sides of an overgrown track, we can console ourselves with past experience.

When we arrived, we thought we were 30 British scientists, invited by the Ecuadorians to survey and preserve their local woodland. In fact, our hosts had disappeared. First, we lost our local backers, then we started to lose each other. We are still



30 British scientists, but we are scientists strengthened by a sequence of near-disasters. From London, Oxford, Liverpool and the North, our team had set off, aiming at the town of Cuenca. We had warm invitations from a local conservation trust, Fundación Natura. When we arrived, the Fundación had tactfully ceased to exist. The director had left for the US, taking with him our plans for local guides, helpers, tenting and supplies. Cuenca's concern for conservation had been rather too strong for the liking of the trust's parent-body in Quito. Our hopes of a welcome by the mayor and city seemed a hollow joke.

Nonetheless, a week later, we were in the mayor's company, clothed in our odd ecological skirts and boiler-suits. Fundación Natura had dissolved into a lively offshoot, Tierra Viva. Tierra Viva had a particularly

lively secretary, the chain-smoking Noelia. Noelia appears to have more cousins than anyone in Cuenca, and every one of them can solve exactly the problems which 30 lost scientists bring with them. In short, we have benefited from the extreme swings of mood, the warmth and overwhelming friendliness of Ecuadorians to visitors who had been badly let down.

Our fairy godmother arranged a press-conference where the journalists outnumbered our participants. Suddenly, our forest-survey became a public matter of pride. We were even put in touch with a local Cuenca artist who had plans for carving the forest-trees into huge totem poles. Thanks to Tierra Viva, we found transport, guides and the cook. We also won favour from ETAPA, the water authority which controls the Rio Mazan valley.

The water authorities were, indeed, the backers we needed. They wanted our survey-report and we needed their laboratory and facilities: so happy was the merger that we found our baggage train leaving Cuenca with public blessing, a cook and all 30 team-members, heading for ETAPA's log cabin in the bottom of the Mazan valley. We had acquired a base-camp without basing a single tent-peg into the ground.

Reaching a forest is much more demanding than living in one: our first hours in the woodland were a sequel to Milton's words on Eden. The botanists sported among orchids, the jobbing gardeners shinned up trees, the bird-freaks put up bird-nets, the beetle watchers found a weird, creepy-crawly, found a cook made spaghetti bolognese. I thought we had thirty frolicking ecologists: as dark fell, it emerged we were now only twenty eight.

It is quite embarrassing to be escorted to survey somebody's forest and end up, the next day, asking them for search-parties to help you find your own surveyors. Ecuadorians have an unacknowledged hunt for mounting an emergency hunt: two days later, we found the sinners who had lost themselves on a bluff and had been



High Andean Lizard

hacking a way out with machetes. Machetes began by joining the toucan as our survey's symbol. To appreciate the full landscape, you have to view it from above. To attain the cliffs, you have to cut a path: we cut for days, like a medieval army, and slowly built bridges, until the local peasants appeared and undermined the entire job by offering to lead us to an out-flanking route. My leadership survived their offer, as for once, a local short-cut was both shorter and free of further cutting.

Having sized up the ground, we have identified successes and problems. Within days, the

bird nets have caught the rare and lovely humming-birds which feed on fuchsia-flowers: obligingly, they have also produced a brilliantly coloured, more ever imagined. The moss-collectors have gone mad over the lichens; the people who pick up the insects might seem mad already, but they have been enjoying the time of their lives. At night, the action centres on the bat-people: very quickly on the bat-people, very quickly on the bat-people, very quickly on the bat-people. We have the world's first pictures of a Mazan fruit-bat eating a kitchen-banana.

The main problem now is not

the weather, the food of the team-members: unexpectedly, it is the alpaca. This llama-like animal was introduced to an adjacent national park by the Ministry of Agriculture. Disliking the park, it bolted into our forest and has felt very much healthier on forest-food. If it goes on multiplying and crashing through the undergrowth, much of the flora and vegetation will be ruined. We must get the Ministry to take the wretched animals away: we expected more things, but not that we would be surveying Cuenca's own forest to save it from big woolly visitors whom fellow-Ecuadorians had introduced by accident.

Saleroom

History mapped out

THE BATTLE is on. Not between Christie's and its spunky predator Phillips—a tenth Christie's size but brazen enough to think of a takeover—but between the book departments of the two major auction houses, Sotheby's and Christie's.

This week Christie's sold an almost mint "Atlas Major" by Blaeu for £27,200. Next week Sotheby's offers a copy of the same work. It is hoping for bids up to £100,000. No one disputes that this atlas, produced in Amsterdam between 1648 and 1664, is the greatest of all atlases. About 300 sets were produced, which were presented as gifts around Europe to show off the grandeur of the Republic of the United Netherlands. Sotheby's reckons it has the better copy, which includes some additional maps. The market will decide.

individually. It would be madness and counter-productive, if the Blaeu "Atlas Major" were treated in such a cavalier fashion. Auction prices for atlases and maps have shot ahead in the last decade. For some reason they are particularly favoured by City men, perhaps because of the meticulous precision of their craftsmanship. (They also make a "safe" decoration for office walls.)

As well as the "Atlas Major" Sotheby's is also offering a Anthony Thorncroft on the auction houses' battle to capture the Atlas market. much rarer work by Blaeu (the big-if unpronounceable—name in this sector). It is an unrecorded copy of his first Atlas, which includes the first appearance of a number of maps. Only five other copies are known and Sotheby's naturally pronounces this to be the finest. It is nestled undisturbed in a Jesuit library at Chantilly. Although it only contains sixty maps, all with contemporary colouring (an important point), it carries a top estimate of £50,000.

Historic atlases are under-priced, although values picked up quickly after the 1981 recession. More modest bargains can be obtained among English county maps, where atlas splitting has flooded the market since 1980. It is quite extraordinary that county maps by Christopher Saxton, the father of English mapping, who covered the country for Queen Elizabeth after 1570, can still be bought for less than £500.

Later, 17th century, editions of Saxton are quite out of favour selling for less than £100, and even the big names of this century, like John Speed, can be acquired for about £100 for a county map like Durham, rising to over £200 for Middlesex. According to Christie's South Kensington while demand for maps from the 17th century is very selective, the 18th century cartographers output, such as Emanuel Bowen's and Thomas Kitchen's informative and decorative maps, are in favour.

Among the 19th century map-makers, Teesdale, Cary, Moultes and Archer are static, while large scale surveys by Rocque, Bryant, Greenwood and Davis, on the scale to one mile to one inch, have become extremely popular. These are auction room prices. By the time such maps have reached the dealers, and the shops, values have risen appreciably. Best to buy direct, and to buy now while good items are reasonably priced.

A-Z of the class war

"SPREAD yourselves about," we were told as we stood on our heads, "and try to look like several people each." Our Yoga teacher was fighting a rear-guard action against a falling roll of few students and there would be no further further education classes for us. Some lecturers have over the years been more ingenious: one of Her Majesty's inspectors discovered an English class populated entirely by fictitious pupils all named after dead writers: "Mr. Shakespeare?" "Here." "Mr. Chaucer?" "Yes." "Lord Byron..."

Jonathan Sale finds a wide variety of subjects on offer for part-time students. Book-keeping, too, is offered in more than one way: for the unemployed, and for people whose second language is English. Those who funk that subject had better think of a crash course in financial management—but a History of (it may or may not be intended as a warning against inorthodox forms of money mismanagement—but a History of Wormwood Scrubs Prison is also on offer). And if that proves too gruelling, there is something aimed at those of us who hope to keep up with our children: New Maths for parents.

To cope with fish, the unwaged have Practical Catering, as opposed to Cooking for Men, or Cooking with English general interest, particularly by anyone on a diet, are the courses in Confectionary Design and the History of Eating and Drinking. Anyone wishing to take that liquid history into the 1980s should consult the advertisement in Floodlight for Bas's School of Bartending, which offers a six-week, "American style" course in cocktail bartending.

It is hard to criticise a system which provides topics as praiseworthy as dressmaking for Urdu-speaking women, and also football for the blind. But I have my doubts about anything quite as nasty as wrestling being funded by my rates. I am also dubious about television repair for amateurs, though for a different reason. Footwear for Amateurs is bad enough, suggesting as it does a prospect of less able pupils tripping over their flapping soles. But professional television repairers are not as hopeless enough—without hopeless being encouraged to plug themselves into the mains. As the title of one course has it: Look after Yourself. Fortunately, the Inner London Education Authority runs to instruction on Health and Safety (First Aid) Regulations 1981, which goes some way towards making me happy.

Gardening

Robin Lane Fox enjoys the late sunshine

Scenting crocuses for autumn colour

BELATEDLY, gardens have had the run they deserve. The past four weeks have made up for a summer of false starts: 1986 would have been a wash-out without this postscript of blue skies and mild, wistful weather.

In the sunshine, I have been enjoying two particular qualities, one in roses, the other in crocuses. They are quite simple, really, but I will take the roses first. Anyone who believes that modern roses have no proper fragrance must have been hiding his nose in the past fortnight: The coolness of the early mornings releases the scent from any rose which has a second autumn flowering.

flowers on the entire group. This season, their bare stems are supporting themselves by the weight of their flowers. Alerted by this sight, I have been investigating other plantings. If you associate crocuses with spring only, you are missing out. The obliging autumn-flowering crocus is celebrating the weather in fine style. On the telephone two of its best growers agreed.

The bigger colchicums have also been excellent, especially as no rain has knocked them flat. The queen of the family is Elizabeth Parker-Jervis who sells the best varieties at Martens Hall, Longworth, Oxon. There, the season began late, but the lovely white varieties have been outstanding.

Why have these crocuses been so generous? I have championed them for years, even though they flower on bare stems and then bother you with their leaves in spring when you are busy with the weeds. They are still remarkably cheap. Good old crocus speciosus can cost as little as £3 per hundred and is extremely easy to please: it will grow happily in groups in the front row of your late-scented rosebeds.

This year, it is beaming in the sun, happy that its petals are not being played by heavy rain. However, the roots of its happiness must lie further back, as this season's flower results from last season's weather. I have painful memories of autumn 1985, which was also

extraordinarily dry. This fact was obvious to anyone who had to exercise horses, and it was even more obvious to the horses, one of whom bruised its hooves so badly that it could not walk properly for weeks. What was bad for hooves was good for next year's crocuses. I assume that this dry weather is the secret, though the crocus's leaves do not appear until the following spring.

If you have never grown these charming bulbs, do please consider them next year when this similar autumn should encourage them to take an encore. It is even easier to consider them if, like me, you have noticed a particular use for them. Several gardens have big crocus-clumps which thrive in the dry spaces below trees. If the crocuses have enough light and the tree-branches are not too dense, they will colonise the ground between the ribs of bare roots.

You can check this point at Wisley Gardens, where the lovely clumps of autumn crocus are conveniently visible from any of the tables in the restaurant. Like autumn cyclamen, it seems, these late crocuses will thrive in a dry, sparse soil. Most of us have such a space where tree-roots dominate, but it has taken this season to teach me that we could all grow crocuses among them, surprising those gardeners who would never believe that crocuses can flower when the leaves are falling off the trees.



Arthur Hellyer finds conifers in great demand

Evergreen favourites

I NOTICE with interest that the latest garden centre in my area now devotes more than half its plant standing space to conifers. I was told that conifers now top the demand for plants and that customers were specially eager to buy the larger available specimens despite their quite high price.

There was a certain irony about this since most of the conifers on display were described as "dwarf," a term that for conifers has been stretched to such a degree as to have little meaning. At least it would appear that most customers at this centre were not looking for genuine dwarfs and maybe they did not even notice the "dwarf" signboard.

difference, is freely available. Both Adrian Bloom and W. J. Bean point out that most of these prostrate spruces are produced by grafting horizontal stems of erect trees on to suitable root stocks. Mr. Bloom adds the warning that if up-right stems do appear in these grafted plants they should be cut out immediately. Many of these dwarf and slow growing conifers are mutants which have appeared spontaneously on normal plants and have been perpetuated by removing them for growing as grafts or cuttings. Those who are keen on such things or see profit in selling them to nurserymen search for them in the wild and in gardens and there seems to be a never ending supply.

All the same if some of the buyers retain their gardens for 10 years or more they may be surprised at the growth some of their conifers have made. I have one specimen of Boulevard, a popular softy grey Saward's cypress, which is now much over that age and is now 15 ft high and still growing steadily. I imagine that most purchasers would not expect it to exceed 3 or 4 ft, which is the impression most descriptions give.

There are scores of attractive slow growing conifers to choose from and because of the demand their number increase annually. One that I have been

One that I had but lost in the terrible winds of last February is a new golden form of Pfitzer's Juniper. The two most common golden forms are Aurea and Old Gold, both low and wide spreading like the green leaves present but with young growth tipped with gold, more so in Old Gold than in Aurea. The new one called Gold Sovereign, is a sport from Old Gold with the same colour but a much slower rate of growth. In small gardens, that would be a considerable advantage as all the Pfitzer Junipers can take up a great deal of room eventually.

I note a tendency to drop the name Pfitzer and refer to all these forms as varieties of Juniper media but I do not find this very helpful as the Pfitzer varieties are always wide spreading whereas the media come in all shapes and sizes. One that I like very much named Blaauw, is dark green and vase shaped, the branches growing vertically for two or three feet and then spreading outwards at the top. I know nothing like it and it can still be bought quite readily. Just ask for the Juniper named Blaauw. There is no need to remember anything else since the rules of nomenclature forbid the same name being used for any other variety in the same genus.

Maybe even better advice is to forget the names altogether, go along to a garden centre and pick out the conifers that attract you most. Since almost all are evergreen, they look much the same throughout the year which I suppose is one reason why gardeners owners are so fond of them. Now is a very good time to plant these and all other evergreens that

Advertisement for Montblanc Meisterstück pens, featuring the Montblanc logo and contact information for Pencilcraft Ltd.

Advertisement for Woodstock Chelsea, a furniture and interior design shop, located at 92 Lots Road, S.W.10.

Advertisement for 'Old Friends Does Life Begin At 40?', offering companionship and marriage services.

Advertisement for 'Hand Embroidered Silk Pictures', offering Christmas gift problems and other services.

Advertisement for 'Jonathan Sale finds a wide variety of subjects on offer for part-time students', listing various courses like book-keeping, yoga, and history.

Handwritten text at the bottom of the page, possibly a signature or note.

DIVERSIONS

Charge over the ocean

From Triffles holiday catalogue, a charming stocking all hand done in needlepoint in China. 18 ins tall, with a fabric backing, it features Father Christmas laden with presents. \$39. Some of the neatest and most attractive looking cassette holders I've seen. Little teakwood boxes, with roll-tops, each holds 17 VHS tapes. \$39.99. There are similar boxes for audio cassettes. \$26.99 for box holding 30.



GLOBAL CAMPAIGNS have long been the buzz words in advertising circles, global villages in hippy ones, so why not global shops? It had to come. With the arrival of the credit card and 24-hour-a-day telephone lines, all the world has access to each other's shops.

If Sprey, Harrods, John Lewis et al have begun to pall, today you can shop across the ocean simply by making a telephone call. You can zip into Bergdorf Goodman, take in a couple of fine reproductions from the Museum of Modern Art, buy a few folios at Neiman-Marcus, sample some of Bloomingdale's famous own-label merchandise, all without having to pay a single air fare.

American shops, needless to say, are much more up to date with new ways of making it easier to spend money than any of their British counterparts.

It is obviously impossible for me to list here all the names and addresses of all the many shops you might be interested in. Take it from me, if there is a shop you are particularly interested in, it is almost bound to offer a fine full-colour brochure and a mail order service as well.

Many of the New York stores offer much the same international merchandise as you are likely to find in a good department store in Britain so there seems little point in paying the extra phone-call and mail order charges. Of particular interest and value, in my opinion, are some of the fine reproductions sold by some of the American museums. Here you really will find pieces, often of great beauty and usually of some originality, that you could not

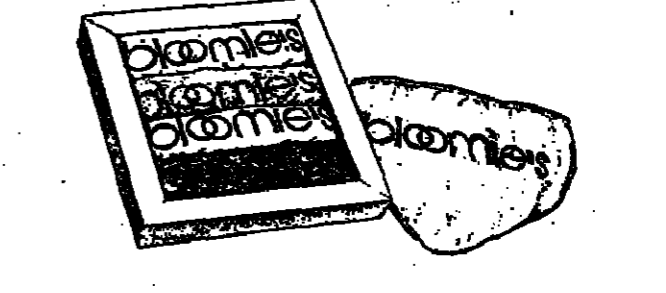
Lucia van der Post

HOW TO SPEND IT

of the pieces are now collectors' items.

Here then is a list of just some of the names, addresses and telephone numbers that you might find useful if you want to do a little early and unusual Christmas shopping. Just telephone and ask for a catalogue—most will send them post-free but they will tell you on the telephone if there is a charge and charge it to your card. When it comes to ordering from the catalogue, remember that American Express, Visa and Mastercard are the cards they mostly take. Unless you specify air-mail they will be sent by surface mail, which usually takes between 10 and 14 days. If you want to be absolutely sure things arrive before Christmas, though, you should have your order in by November 5.

From Bloomingdale's, a pack of Bloomie's own cotton knit bikini pants, in pink, blue, purple and green. \$13.00 for four. Marvellously simple watch, designed by Calvin Klein, with a simple broad silver-tone case, with an old silver-tone dial with Arabic numerals and a pigskin strap. \$195. Look out, too, for excellent luggage (Pierre Cardin or Ralph Lauren designed) and lots of jokey toys.



ALL THE GOODS FROM DALLAS TO NEW YORK

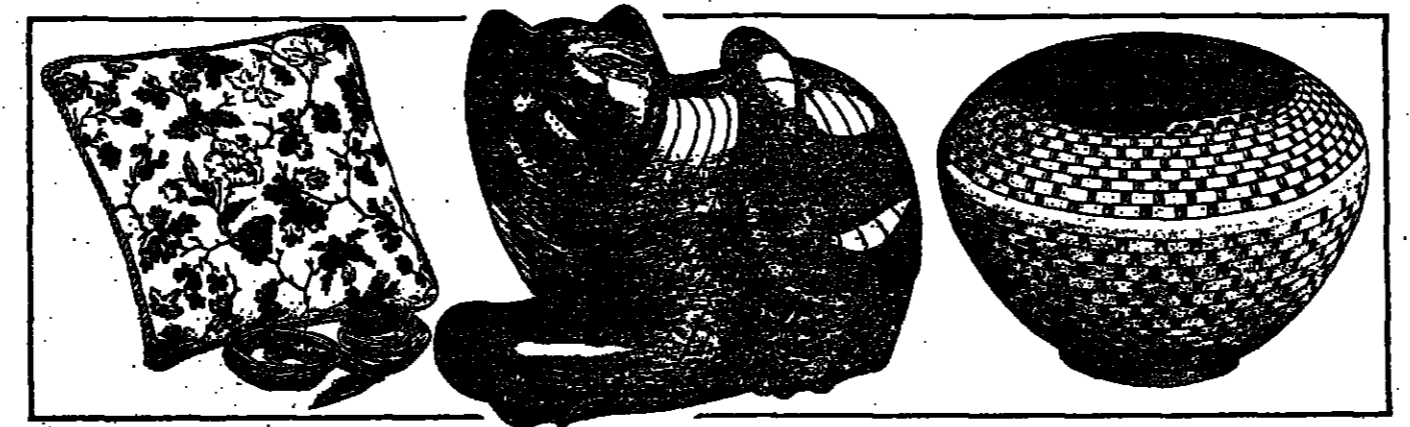
Colonial Williamsburg Foundation, Craft House, Box CB, Williamsburg, Virginia, 23185, US. Tel 0101 804 229-1000. (Catalogue \$9.95 plus postage.) A marvellous selection of furniture, objects and artefacts, many with a genuine "colonial" feel. Fine reproduction bombe mahogany chest, wooden bird decoys, copies of New England antiques, old quilts, nice posters.

The Museum of Modern Art, Mail Order Department, 11, West 53 Street, New York, N.Y. 10019-5401. Tel. 0101 212-708-9700. (\$1). Some excellent high-quality very modern pieces, some unique, others certainly available here in high-tech modern design orientated shops. Some beautiful travel cases by Marco Baldini of Italy that I haven't seen elsewhere, lots of fine toys (like the miniature Rietveld chair you build yourself, and, as you might expect, some of the finest art books). Probably most useful to those looking for a finely edited, carefully selected collection of some of the best, signed modern pieces in the world (the best torch, pen-knife, coat-hanger, light, etc.).

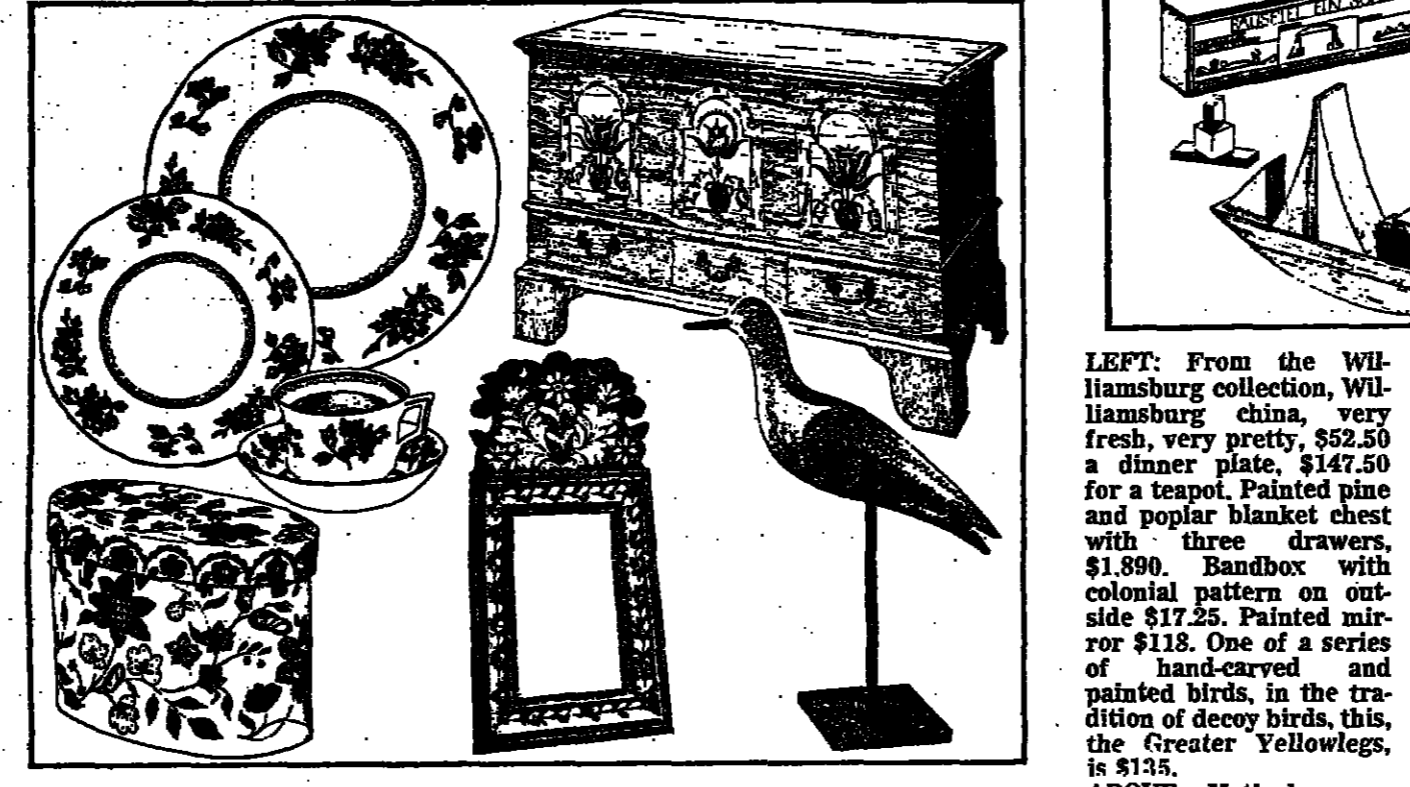
The Smithsonian Catalogue, Smithsonian Institution, Department 0006, Washington DC, 20073-0006. Tel 0101 703-455-1700. A wide-ranging catalogue taking in everything from some inexpensive (\$14) beaded bracelets from Mali, an ancient African bead game called Mankala to a reproduction Windsor chair, a hand-crafted Teal Duck, an illuminated world globe and a copy of the galloping horse of Kanau.

Winterthur Museum, The Winterthur Gallery, Winterthur, Delaware 19785. Tel 0101 302-658-8591 (\$2). Here, from the former country estate of Henry Francis du Pont, comes a selection of modern copies of some of America's fine old antiques. Cream cachepots, brass candlesticks, sterling silverstone garden ornaments, sundials, scarves, Chinese porcelain and a particularly attractive collection of Christmas decorations.

Triffles Holiday, PO Box 620050, Dallas, Texas 75262-0050. Tel 0101 214-484-1297. (\$2). Very mixed catalogue with something for everybody—particularly strong on American Christmas decorations and

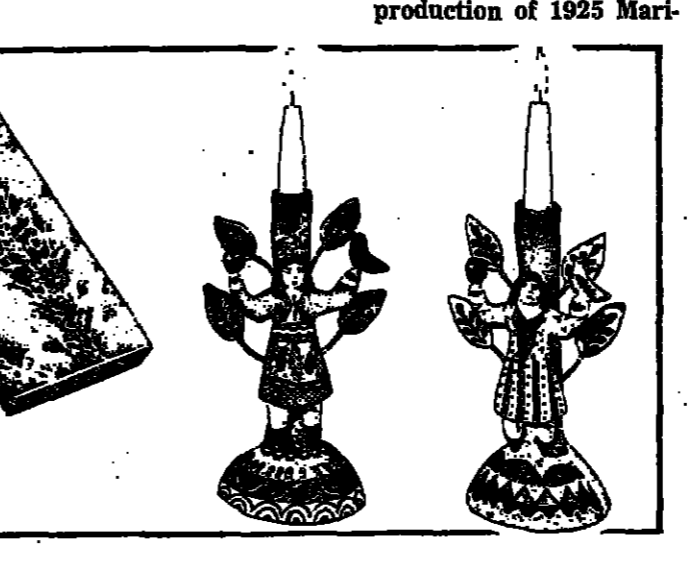


Drawings by James Ferguson

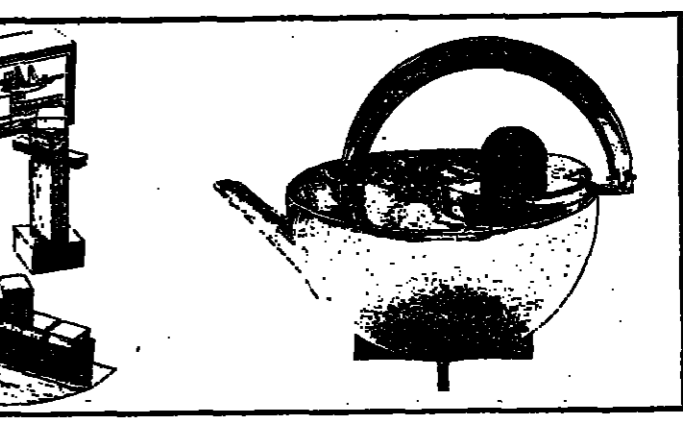


Just a couple of suggestions from the vast and luscious Neiman-Marcus catalogue — brightly coloured painted clay candle holders from Mexico, very pretty, full of naive charm. \$ in high, \$15 each. A pack of chocolate cigars, beautifully wrapped in gold foil in a re-usable lacquerware box. A Neiman-Marcus exclusive, \$32.

I have chosen to have sketched the most "cost" of items but there's lots for the high rollers, too—from furs to your very own Bubble Boat. (a snip at just \$80,000).



From the Smithsonian catalogue, a fresh and charming needlepoint kit, its flower and vine design adapted from a painting for a fabric print by Louis-Albert DuBois. Canvas, wool, needles and instructions, all for \$37.50. Somnolent Thai cat carved by hand, with a secret compartment to house a few treasures. \$75. A beautiful restrained piece of stone-ware from New York



anne Brandt Teapot, redolent of the Bauhaus. From the Museum of Modern Art's Silver Collection, in sterling silver with ebony handles, \$5,000. More Bauhaus influence in these building blocks designed by Alma Siedhoff-Buscher in 1923. Wooden pieces can be used to make houses, boats, landscapes, animals—beautifully made, lovely as a child's toy or just to look at, \$35.

LORDSHIPS OF THE MANOR AUCTION

11th November 1986 at 2.15 p.m.
Painter's Hall, 9 Trinity Lane, London ECA

50 Ancient Manorial Titles and Documents; included in the auction (unless previously sold) will be:

The Lordship of Hingham, Norfolk, original home of the family of Abraham Lincoln.

The Lordship of Snodhill, Herefordshire, together with the ruin of Snodhill Castle (1200AD) standing on 4 1/2 acres.

As a Lord of the Manor you will continue a centuries-long tradition, back to the Norman Conquest of 1066, and in many cases be the successors to Kings, Queens, and members of the ancient British Aristocracy who have held these Lordships in the past.

Catalogues: £5 inc. postage.
Catalogues and enquiries through:

Auctioneers
STRUTT & PARKER
Coval Hall, Chelmsford,
Essex CM1 2QF,
United Kingdom
Tel: (0245) 58201
Tlx: 995801 GLO TX-GS39

MANORIAL SOCIETY
104 Kennington Road,
London SE11 6RE
Tel: 01-735 6633
Cheques payable to:
Strutt & Parker

Robin Lane Fox

offers signed copies of the new edition of his Variations on a Garden, out of print for 10 years and just published at £10.95; newly illustrated with 16 pp colour; 8 pp black and white; 300 pages of revised and enlarged text. FREE post and packing. FREE seeds of Apricot Foxgloves, donated by Thompson and Morgan. Cheques for £10.95 to:

R. and L. Lane Fox
14 Beechcroft Road, Oxford OX2 7AZ

Name (Block capitals)

Address

"I always said I'd rather die than sell my fiddle."



Unfortunately for some, there comes a moment when that choice has to be made.

Musicians who have given others many hours of enjoyment sometimes fall on hard times and find they cannot even provide for themselves. The cause can be old age, illness—anything. But you can help.

Just as they have bestowed their gifts on us, we can give something back to them.

A donation to the Musicians Benevolent Fund could mean that musicians' lives don't have to end on a sour note.

Even better, remember the Fund in your Will. That way your love of music can live on for others to enjoy.

PLEASE SEND A DONATION, LARGE OR SMALL, TO:
MUSICIANS BENEVOLENT FUND
DR PHILIP CRAMMER, MA, FRCO, CHAIRMAN
16 OGLE STREET, LONDON W1P 7LG.

John Donald
designer & goldsmith

Office presents. Silver retirement gifts. Redesigning new jewels from old. Ceremonial jewellery and silver. Exclusive designs from John Donald.

129 Chesapeake, London EC2V 6DR
Tel. 01-206 2975

The problem is prime time

BEEF isn't what it used to be. Whether it has changed for better or worse depends on your point of view. The prevailing fashion is for leaner and yet leaner meat, and for meat that's as tender as tofu (beancurd). But how far are the plebeians' dreams consistent with flavour and texture?

Fat is probably bad for us—let us accept the conventional wisdom for the moment: tomorrow someone may well tell us differently—but it is good for beef. It helps develop the flavour and it is essential to keeping your joint or cut moist while cooking.

Ester Godfrey, who runs the only butchers' shop in central London which guarantees to sell you genuine Aberdeen Angus beef, and who knows a thing or two about meat, says that his grandfather used to buy the very fattest animals he could find. The heavy layer of surface fat meant that the meat was well marbled. In all likelihood, too, the fat that grandfather trimmed off with such a free hand, would have had the firm texture and creamy colour of the true grass-fed animal rather than the foamy white of too many modern barley-fed beasts. It would certainly not have had the yellow tinge—or orange, as it is referred to in the Trade-of-cow beef. A by-product of the dairy trade, it is much favoured in France. Even Paul Bocuse serves it in his restaurant. I am told, although it is slightly tougher than the bullock beef that the English traditionally prefer, the

French believe it has a better flavour.

But if there have been radical changes in the type and condition of livestock before slaughtering, there has been a revolution in the way carcasses are treated afterwards.

In our grandparent time a carcass would follow a leisurely progress from abattoir to butcher's block over a period of two to three weeks, maturing in mildly chilled conditions. Today, modern hygiene regulations, better transport, and capital costs dictate a rather different pattern.

Instead of taking a week or so, your Sunday joint will now be in the butcher's shop in two or three days. The trouble is that freshly slaughtered meat is tough and tasteless, and will remain so until lively little proteolytic (protein digesting) enzymes go to work, breaking down the muscle fibres.

There is no disguising the fact that taste and tenderness in meat are the products of natural decay. Luckily for us the process can be strictly controlled through precise treatment in specific conditions, that is hanging or maturing in some other way, that takes time.

Most meat is delivered for sale the following week. Ideally, however, prime cuts of beef need two or three weeks to reach their prime, depending on the conditions; and if dry hung, they will lose up to 10 per cent of their weight through evaporation.

You don't have to be a

butcher to work out the consequences for cash flow. The fact that so much capital is tied up for so long, on top of the running costs of the cold room and the weight loss, is a deterrent to all but the most dedicated. Even they will have recourse to the modern methods of vacuum packing to keep steaks in proper condition until they are needed.

With supermarkets there is no choice. It's straight into the packaging plant, for trimming and vacuum packing and storing. It may not be romantic, but it's economical. There is virtually no surface discoloration, there is no evaporation. The meat is neatly trimmed before packing so the thrifty shopper knows exactly what he or she is buying.

The trade would say of vacuum packing that three weeks in the cold room in this condition has precisely the same effect on the flavour and texture as three weeks dry hanging



in a traditional coldroom. Those of us who have poured half a pint of bloody liquid out of the polystyrene container of rump steak, or who have compared the flavour of vacuum packed beef with the traditionally hung variety, might take issue with the claim. But for a business that depends on minimising wastage to maintain margins, the attractions of the process are not limited to supermarkets. I'm afraid we will not see the likes of grandfather again, cheerfully chopping away the fat he has paid for.

It's useless to pretend that the business of hanging meat is an exact science. There are too many variables involved. You can find meat that is over a year old at Smithfield, not rancid, but kept at just about freezing point. Pork is unsuitable for hanging and is not improved by it. Lamb frequently benefits from three or four days in the coldroom, but in practice rarely receives it, although it is interesting to note that Waitrose is currently experimenting with vacuum packed Mature English Lamb.

The next time you think of having a piece of beef or lamb, buy it three or four days in advance, take it out of its wrapper and keep it in the fridge or larder until you want to cook it. It may not taste as good as it did in grandfather's day, but won't your grandchildren say the same thing to their grandchildren?

Peter Fort

Sisters in Society

THE IT GIRLS: ELINOR GLYN AND LUCY, DUFF GORDON by Meredith Etherington-Smith and Jeremy Pitcher. Hamish Hamilton. £14.95. 274 pages.

"IT" AS we know, means Miss Clara Bow. In Hollywood, in 1925, Elinor Glyn coined the term for sex appeal, zest, and je ne sais quel. Elinor Glyn herself had "It"; her sister Lucy designed gorgeous dresses which lent "It" to the wearer. The stories of the two sisters from Jersey have been written before, but this new book, with fresh research, tells how the sisters were both allies and rivals, and relied on each other to create the romantic aura which brought them both fame. Elinor was beautiful, a flame-haired temptress, too exotic and too well dressed to be easily accepted in the society of which she sometimes adorned the fringe. Her ambition was a happy and worldly marriage. She had firsts galore, but when she wedded Clayton Glyn (her future) she thought her life was secure. Alas, Clayton was heavily in debt, his house let, and his remaining capital quickly spent on good living, grand hotels, and his wife's clothes. Elinor soon found she was virtually supporting her husband and two daughters by her novels, once written as a diversion. So she could work in peace, she built an annexe to the tiny house in which the family now lived. She furnished her "Trianon" in the Louis style (both sisters had a passion for 18th-century France) with a rose-festooned bedroom beyond Boucher's imagination. I always find the novels of Elinor Glyn immensely enjoyable and much underrated. Two early works, *The Visits of Elizabeth* (1900) and *The Vicissitudes of Evangeline* (1903) have a sparkle not far from Bliford shimmer. *The Career of Catherine Bush* (1917), the story of a money-

lender's secretary who contrived to marry a Duke, observes society as sharply as E. F. Benson's brilliant novel, *The Climber*. Her most famous work, *Three Weeks*, is quite atypical; the passionate story of rose bowers and tiger skins sold over a million copies, and changed Elinor overnight from a respectable lady to a Sybilline love goddess. Elinor was virtually self-educated, let loose as a girl in a well-stocked library. Had she received a formal education, been to Girton, she could never have written *Three Weeks*; the rambling roses would have been severely pruned. Elinor had, as Cecil Beaton spotted, a "shrewd and practical" side. Her advice to her god-daughter on marriage (*Letters to Caroline* 1914) always be gentle with your husband, never lose your temper, never criticise his friends, try to share his interests... could be the voice of Mme de Maintenon addressing her charges at St. Cyr. While Elinor was becoming famous Lucy had arrived. She had always designed dresses (Elinor had been her best advertisement), and after an expensive divorce she set up shop in 1918; soon she took a house in Hanover Square, and there was born The Maison Lucile. Clients flocked: Lily Langtry, Margot Asquith and the Duchess of York. Lucy made striking innovations in the world of couture. She showed her clothes on glamorous girls who paraded on a cat walk, and she gave dresses names à la Glyn, "Scented Success" and "Persuasive Delight." She was an early psychologist of colour: purple dresses herself while fashioning chiffon dreams for others. She had no social aspirations; although married en deuxième noces to Sir Cosmo Duff Gordon, a country-loving Scot, her friends were in the world of theatre and design. It was Lucile who dressed Elinor for the fateful day of



Elinor Glyn: underrated as a novelist

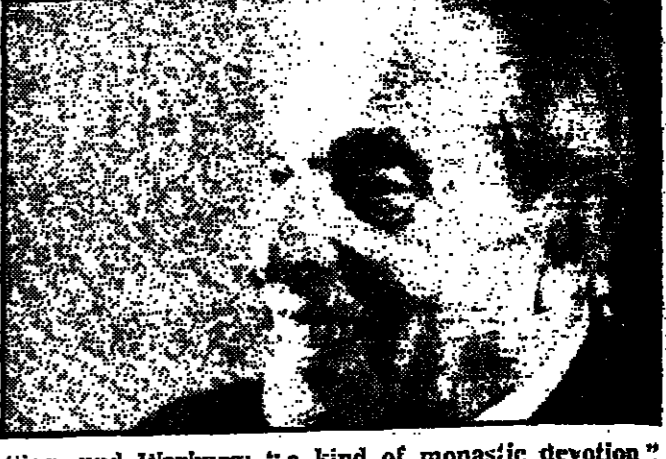
sort of dress Eve might have worn, if she had worn a dress. How enchanting it sounds, and the true reason for Lucy's success was that her clothes were absolutely lovely. She was a wonderful designer; her work had the inspiration and cut of true Paris couture, and a dress now in the Victoria and Albert Museum, a white satin Empire sheath with black velvet bodice, explains why Cecil Beaton stargazed at Lily Elsie robed by Lucile. When she showed in Paris she had a triumph, and stirred Cécile Sorel, Réjane and Mata Hari. Although she was pretty when young, she never had Elinor's allure. She was quite content to wear dowdy, off-the-peg dresses herself while fashioning chiffon dreams for others. She had no social aspirations; although married en deuxième noces to Sir Cosmo Duff Gordon, a country-loving Scot, her friends were in the world of theatre and design. It was Lucile who dressed Elinor for the fateful day of

July 23, 1907. Elinor acted the heroine in a charity matinee of *Three Weeks*; the performance was attended by Lord Curzon, who sent her a note of congratulations. Thus began the great love story of Elinor's life. The outline is probably familiar. The affair was conducted with total concealment. The authors have discovered a photograph of Elinor and Curzon together at a shooting party and papers which prove that Curzon (a parsimonious man) gave money to both Clayton and Elinor, taking out an option on her, so to speak. It is greatly to Elinor's credit that she engaged the affections of the predestined and most discriminating man of his time for nearly eight years. She knew he wished to remarry but *Three Weeks* had made her notorious. Curzon flirted with two American heiresses, Ava Astor and Gracie Duggan, who became his wife. He also wanted a son to inherit his accumulated honours but this was not to be. After her congé in 1916,

Elinor went to France as a war correspondent, visiting the trenches and writing at the Ritz. Lucy flourished in America, opening branches in New York and Chicago and made a profit of £40,000 a year. Alas, she was to lose all, she was wildly extravagant, never guessing her income might cease. After the war her style was outdated, short skirts, bobbed hair and Chanel were the mode. Her morale crumpled and she retired to a life of quiet gentility in Hampstead. Elinor, ever avid for the new, went to Hollywood, where she was royally feted, and invented "It." She came back to London, filed Mayfair flats with tiger skins and had many admirers. As Henry James wrote of Sarah Bernhardt, "she had a great go at life." The story of Elinor and Lucy is deftly told and will appeal to all interested in Edwardian life, theatre and fashion. My sole lament is that a book about two such vivid personalities should lack colour illustrations. Jane Abdy

Banker's progress

A MAN OF INFLUENCE: SIR SIEGMUND WARBURG by Jacques Attali translated from the French by Barbara Ellis. Weidenfeld & Nicolson £16.95. 348 pages.



Siegmund Warburg: "a kind of monastic devotion"

THOUGH ECONOMIC adviser to a Socialist President who nationalised the banks, the French author of this book (which was noted on its appearance in France by David Housego, F.T. October 10, 1985) believes in bankers. In the last two centuries, he asserts, "it is the financier far more than the artist or the industrialist whose influence has been unquestionable." And, by implication, the influence has been beneficial. Disaster has ensued only when the politically powerful have failed to listen. It is his enthusiastic, at times even typical, attitude to the profession of his subject that helps to make Jacques Attali's biography such an engaging book. Even those who do not accept the author's verdict that Sir Siegmund Warburg's life "shows beyond doubt that there is no manipulative group behind the political scenes" will be intrigued by this deft and vigorous portrait of a man widely seen as the greatest banker in the City of London since 1945. Attali's achievement is in describing, not just an individual, but a tribe, a tradition and a way of life. The most interesting chapter is about Siegmund's tribal heritage. Thought often dismissed as a parvenu, in reality he sprang from a line of Jewish banking aristocracy, with scions all over the world. Siegmund's first ambition was politics, but the Nazis put an end to that. Briefly, he advised the right-wing Foreign Minister von Neurath. Neurath's inability or unwillingness to stand up to the dominant party convinced him, however, of the need to depart, and in 1933 (earliest possible date) he fled to London, where he settled in England, a country he already knew. Though not exactly poverty-stricken—influential contacts

and a few thousand dollars salvaged from Germany saw him through—it was a harsh new beginning. In Germany he had been at the centre; in London he was on the margins, and the rancour he felt towards the City Establishment, full of people who "are usually mistaken, because they only admire those who are like themselves," never left him. The war and its aftermath provided his opportunity, and the new bank of S. G. Warburg flourished on the post-war boom—though profits grew slowly, from £40,000 in 1945 to £200,000 in 1955 and £300,000 in 1958. Thereafter, advance was dramatic, and by 1965 Warburg had become the leading bank, along with Morgan Grenfell, in the City. A key turning-point was a successful bid for control of British Aluminium in 1958, Siegmund pitting himself against all that was blameworthy on the British financial scene. When Labour came to power, the new Prime Minister brought him in as an adviser and knighted him. "From von Neurath to Harold Wilson" would have made a good motto for his crest. What did he have that others lacked? His biographer argues for a kind of monastic devotion, in which intellectual values mattered more than profits. He had, or affected, a contempt for people "who have a sort of erotic relationship with money," a devotion he likened to necrophilia. In business terms, he was a catalyst of new ideas, an enemy of mental sloth. His most vital quality, however, was his detachment. Having abandoned German politics, he never acquired a commitment to any guiding cause (though he took some interest, as a non-Zionist, in the development of Israel). He was interested, not in power, but in getting things right. A global, rather than a wandering, Jew, he was not handicapped by any desire for the limelight. He was fond of quoting Dwight Morrow: "The world is divided into people who do things and people who get the credit. Try if you can to belong to the first class; there is far less competition." Attali sees him as a force for good. He was certainly an agent of change. Probably, his lack of conventional megalomania helped to keep his influence harmless or perhaps merely benign. Nevertheless, one is left at the end—after riveting tales of takeovers and mergers, of government's heading or failing to head Siegmund's sage advice—asking the child's question: "What is that man for?" Ben Pimlott

Killer who followed his nose

PERFUME by Patrick Süskind. Translated from the German by John E. Woods. Hamish Hamilton. £9.95. 186 pages.

THE SILKEN THREAD: STORIES AND SKETCHES by Cora Sandel. Translated from the Norwegian by Elizabeth Rokkan. Peter Owen. £9.95. 175 pages.

PASSING THROUGH: STORIES by Don Bloch. Heinemann. £10.95. 280 pages.

ACROSS by Peter Handke. Translated from the German by Ralph Manheim. Methuen. £9.95. 136 pages.

THE LATER ADVENTURES OF TOM JONES by Bob Coleman. Bodley Head. £10.95. 346 pages.

PATRICK SÜSKIND'S Perfume: The story of a murderer is not merely an instant best-seller of the high market sort; it is also an instant classic, coming to us (so to say) directly from television. The German author was a writer for television before he came to classic novel-writing, with his book typed as "worthy of comparison with the great European masters." The trouble with the Euro-

pean masters, as Herr Süskind might well put it if he could be magically transported into their company, is that they did not go straight for the fashionable commercial kill; they wrote what they needed to write, they did not look around for likely subjects. Perfume is about Jean-Baptiste Grenouille, born under a bloody fishmonger's slab in eighteenth-century Paris. His mother is decapitated for infanticide (he escapes by accident). He is put to a wet nurse. He has a marvellous sense of smell, but himself does not smell at all. The fantastic tale ends in cannibalism. Perfume is a shrewd and skillful mix of historical novel and quasi-surreal fantasy. At all points it is disgusting—and, to adapt Keats' famous and just phrase, its disagreeables entirely fail to evaporate. There is something highly unpleasant about an instant classic. Only one person will decide what a classic is: the common reader. Perfume will be forgotten by the time Herr Süskind sells his next classic. If you like nastiness in a world where there is already a great deal of it, then read junk horror books. At least that carries no taint of the literary. The Norwegian novelist and short-story writer Cora Sandel (her real name was Sara

Fabricius) died in 1974 at the age of 94. She began as a painter, lived in Sweden for many years, and her genius as a writer was not fully recognised until the very last years of her life. Her Alberta trilogy, a trenchant self-examination really in a classic Peter Owen has been a pioneer in the issue of her books in excellent English translations by Elizabeth Rokkan, and he continues the good work with this fine collection of stories and sketches written between the years 1904 and 1972. Cora Sandel was perhaps the most honest and lucid recorder of the "small" events and emotions in the lives of the women (of many nations) of this century, and, as her translator suggests in an excellent introduction, she was perhaps at her very best in short form. Certainly these sketches, mostly very short, contain a wealth of subtle observation, and reveal the full sensibility of one of the finest of all women writers of our century. This ought to be a best-seller. Don Bloch's three long stories in *Passing Through* are set, respectively, in Indonesia, in North Yemen on the Red Sea coast and in Kenya. He brings to his crowded and touching narratives—which

show an extraordinary ability to reproduce native peculiarities of speech—a hint of the expertise of Kipling, Conrad and Stevenson. The narrator is an unhappy expatriate, an "expert" in "development" in Africa and Asia, who feels that he and his friend and partner Koert Jan do little but who clearly wants to help where he can. *Passing Through* has all the virtues of an excellent travel book with much more than travel in it. The German novelist Peter Handke is most famous in this country for his story *The Goalie's Anxiety at the Penalty Kick*, and for the excellent movie based upon it. *Across* is a deeper book, but is—again—an exploration of murderousness and its consequences. A teacher of classics, very regular in his habits, he sees a tree defaced by a swastika. He tracks down the defacer and kills him. His crime gives him real life. This narrative is slow, phenomenological, perhaps a little blurred. But it is always fascinating, and Ralph Manheim has caught its elegant and grave note to perfection. Bob Coleman went to University in his native America and wrote a dissertation on Henry Fielding. He is now a business consultant but, such



Patrick Süskind: 18th-century French villain's tale

are the temptations of art, he set his hand to a sequel to Tom Jones. Either pastiche efforts are very very good, or they are very very bad. This one is not very very good. Martin Seymour-Smith

Wilson of Rievaulx

MEMOIRS 1916-1964 The Making of a Prime Minister by Harold Wilson. Weidenfeld & Nicolson and Michael Joseph. £14.95. 214 pages.

THERE is only one really interesting question left about Harold Wilson. Why did a man who seemed to promise so much achieve a little or, to put it more subtly, why does he fail to ask the question himself? Wilson has now written three books directly about his period in politics. The first and very long, *The Labour Government 1964-1970*, at least gave a useful account of the hectic pace at which business was conducted. The much shorter *Fineal Term* covered his return to Downing Street in 1974-76. The pre-1964 *Memoirs* are subtitled *The Making of a Prime Minister*. The explanation for them all, given in the prologue, is: "I did not want historians to rely on what they read in an entirely hostile set of newspapers or even in *The Times*. There was hardly a single editor or writer who had a clue about how government was run and I was intent that the record should be put straight." It is tempting to "conclude that he must have been a very boring man from the start. Some of the evidence bears that out. Among his favourite maga-

zines as a boy were *Mecano* and *The Scout* to which he submitted an article on a visit to an Australian gold mine. It was rejected. At the age of four he was asked to write on a blackboard the longest word he knew. It was "committee." At Oxford he won the Gladstone Memorial Prize for an essay on a subject he describes as dear to his heart. It was "The State and the Railways 1825-62." He spent part of the war modernising the statistics of the coal industry and he says of his early Parliamentary experience: "I had for ten years been one of the dullest speakers in the House of Commons. I always knew my facts and pressed them down with excessive length." It was the arrival of Harold Macmillan at the Treasury when Wilson was Shadow Chancellor that brought about a transformation. "There must have been a chemistry at work which brought out the best in both of us," he writes. Certainly the admiration for Macmillan in these *Memoirs* is unbounded. Wilson became a devastating speaker and, on the death of Gaitskell, the Labour leader who seemed certain to sweep the country. The commentator Robert Mackenzie said of his first speech as leader to the Party Conference: "Harold Wilson has moved the Labour Party forward 50 years in 50

minutes." The rest is history. It was promise largely unfulfilled. Wilson's own theory of the best style of government is explained here as "like rowing—the ideal solution is to get the boat along as quickly as possible without turning it over." Perhaps that is all he did think and there is no inner Harold Wilson yet to be discovered, or is he laughing behind our back? The book contains a sharp passage on Beveridge, for whom Wilson once worked: "an administrative genius, probably without parallel in this century. . . . But had he been granted the power he sought, I would have trembled for democracy." There is very little new on Bevan and Gaitskell, though Wilson is at pains to make it clear that his own resignation from the Attlee Government was more about the costs of rearmament than the imposition of prescription charges. That is about it. Malcolm Rutherford HAROLD WILSON was one of several Prime Ministers who played a part in the development of the Commonwealth Parliamentary Association, an interesting and well-researched history of it from 1911-1985. The *Parliamentarians* (Gower, £25.0, 319 pages by Ian Grey) has just appeared.

IAN MAC GREGOR
WITH RODNEY TYLER

THE ENEMIES WITHIN
The Story of the Miners' Strike 1984/5
£15.00
Collins

MOMENTS OF REPRIEVE by Primo Levi. Michael Joseph. £9.95. 172 pages.

IN FEBRUARY 1944 Primo Levi was deported, along with 850 other Italian partisans, to Auschwitz: "a name without significance for us at the time, but it at least implied some place on earth." Only three of the partisans survived, of whom Levi was one. The need to tell the story, to bear witness, was afterwards so urgent that in *Moments of Reprieve*, this excellent collection of short stories about Auschwitz, Levi likens himself to Coleridge's Ancient Mariner. "And till my ghastly tale is told This heart within me burns." This heart

Bright eye

Levi has, of course, already told much of the ghastly tale in the now deservedly classic *If This is a Man* (1947); but the horrors of Auschwitz have, not surprisingly, provided Levi with an inexhaustible fund of memories and impressions; horrors without the experience of which Levi would not, as he himself readily admits, have become a writer in the first place. Incredibly, Levi has never used his writing to take

MY PRIDE AND JOY by George Adamson. Collins/Harvill. £12.95. 304 pages.

GEORGE ADAMSON enjoys a cooling swig of gin at 11 each morning. Whisky and tobacco relax him at night. Which would be enough health hazards to satisfy most people. He, of course, adds rehabilitating unwanted lions to the wild beside a crocodile-infested river in a camp where the scorpions and snakes lurk in unexpected places. Mid-morning gin is the least of his worries. Bill Travers portrayed him famously in the film *Born Free*, but his life before and since is just as extraordinary and full of risks. All through the book people are being gnawed, squeezed, bitten and killed by

Elsa man

the animals they study. One unfortunate Japanese interviewer spent a week in hospital after a lion took her head in its jaws. With great courage she resumed her work—to be seized round her neck by a leopard. Undaunted, she returned in a neckbrace to finish the documentary. Which tells you something about Japanese determination. Exciting anecdotes abound, as do odd snippets on animal behaviour. I now know things David Attenborough never

revenge on his would-be interviewees: the tone of these 15 stories, written at different times and on different occasions but published in Italy five years ago, is remarkably forgiving, the prose carefully wrought and deliberately uncomplicated, proof that our everyday language does not, as some have claimed, lack words with which to express the demolition of man.

Moments of Reprieve is a welcome addition to the work of a man whom the late Italo Calvino quite rightly called "one of the most important, and gifted writers of our time." Ruth Feldman's translation does full justice to Primo Levi's original stories. Ian Thomson

taught me about mating habits, from elephants to foaming tree frogs.

But the future for Adamson's work is uncertain. Rehabilitating lions is a controversial business. While those in charge of reserves and game parks have over granting him permission to carry on, greedy hunters, drought and the grazing needs of desperate native tribes threaten the fragile ecology the animals need. If they are to survive at all. Despite all this and the murder of his wife and the death of his brother and partner Terence, he is not bitter, just sad. As he writes, "There is only one happy ending to a true tale of the wild and that is a question mark." Valery McConnell

South Bank to Lebanon

A BRITTLE GLORY: AN AUTOBIOGRAPHY by Paul Wright. Weidenfeld & Nicolson. £15.00. 214 pages.

DIPLOMATIC MEMOIRS are not on the whole a satisfactory genre. Many among them, while undoubtedly giving pleasure to family and friends, have not acquired a much larger audience than if they had been privately printed. There are, however, exceptions of two kinds—those whose authors had the good fortune to be intimately involved in events of compelling interest and significance, and those which tell a less exceptional story with elegance and wit. Sir Paul Wright's volume is in the latter category. He first displayed an aptitude for diplomacy (not apparently recognised as such at the time) at the age of six, when he was horrified by his nanny's assurance that if he was good Jesus would appear to him: "So set about devising ways of being naughty enough, at least once a day, to ensure beyond all possible doubt that no Appearance would or could take place—but, of course, not sufficiently naughty to incur human wrath in the shape of a disappointed Nannie, or worse, an enraged parent. The first, no doubt, of many shrewd compromises. It was as an experienced practitioner in public relations, first for the National Council Board and then for the Festival of Britain that he became



Paul Wright: blowing Britain's trumpet

Foreign Service, being helped on his way by timely advice from Herbert Morrison and Gladwyn Jebb. He was later to be appointed Director-General of the British Information Services in the United States, an important and absorbing post in which his achievements were certainly not brittle though perhaps lacking in glory. The title he has given to his memoir is presumably the result of reflection on his last two assignments, as Ambassador to the Congo (now Zaïre) and then to Lebanon. In Kinshasa he was largely engaged in trying to stimulate

and those responsible for British overseas aid in the Congo's great potential resources. In Beirut he was the last British Ambassador to experience the normal course of Lebanese life. It was not long before the first signs appeared of the disintegration of that beautiful country, and he was obliged to accept for his protection a constant escort of two armed police officers. In describing these two experiences he presents an illuminating picture of the life of an Ambassador, with the natural omission of any detailed account of his written and telegraphic exchanges with London on matters of policy. It is commonplace that memory plays strange tricks. Paul Wright was in charge of the Cairo Embassy when I arrived there in 1961, and describes the arrangements made by the Egyptian protocol for the presentation of my letters of credence, including "a convoy of ancient Rolls-Royces." Until reading this I had distinctly remembered not only that I was driven to the Kubba Palace in a Cadillac but also that when a new American Ambassador arrived shortly afterwards the car sent to carry him to the ceremony was a Rolls-Royce. I have no rational ground for thinking my recollection more reliable than Sir Paul's, but I intend to cling to it as having, whether true or false, the merit of accuracy. I don't see the Egyptian sense of humour.

طراحت النور

and in writynge

THE THEME of this year's Festival, insofar as it has a theme, is the part played by the dancer not only in the theatre but in writing across-the-board. We have been well-provided with actual theatre, compensating to some extent for the fact that, as the Town Hall is under repair and the proceedings have had to be moved into the Everyman Theatre, the usual particularly "intellectual" theatre production has had to be skipped.

whom the dancers represented. Fine acting, fine dancing, fine direction — but too much mystification. Other theatrical subjects in this past week have been an interesting talk by Michael Slater on the wholesale influence of the play on both the life and writing of Dickens; and two lectures by Michael Meyer on Ibsen and on Strindberg. Mr Slater hovered perhaps too long about *Nicholas Nickleby*, his most profitable source, but he had a good deal of interesting information to impart, and imparted it with wit. As for Mr Meyer, at the end of his Ibsen talk he had told us so much about Ibsen that it was difficult to ask questions: one had to move into such matters as the varieties of the Norwegian language. He was equally comprehensive about Strindberg, but my conclusion was that his heart belongs to Ibsen. "God keep lead out of me," devised by Oliver Ford Davies and Julian Pettifer of the Royal Shakespeare Company, was based on Shakespeare, but it was not meant to teach us anything about the text. It was a recital of quotations that illuminated Shakespearean characters: ideas about war; hence, if you like, Shakespeare's *Shakespeare* is a great deal about war, and there is a theory that he spent some time as a soldier. It was therefore easy for the quotes to suggest that he was a pacifist, and I dare say most of us would like to believe that he was, in spite of Henry V and *Cymbeline*. The subsequent discussion, at any rate, came down mainly in favour of peace.

largely feminine audience, who crowded around her afterwards to find out, without actually asking, how to get a story into this solitary showplace for short fiction, or at least how to write a good short story, or perhaps most important, how to find a bookstall that carries the magazine. Later that day there was a talk by Piers Paul Read on "History in Fiction." I do not mean to be unfair when I say that it dealt mostly with Mr Read's own favourite bit of history (France and Germany between 1920 and now) and with Mr Read's own fiction. The talk raised a small number of interesting questions afterwards, etc. There were poetry readings galore, including the poems of the TLS/Cheltenham Festival competition, for which the TLS provided one set of winners, chosen by its readers, and the official judges a quite different set. Craig Raine and Christopher Reid read from their work on Monday morning; Kevin Crossley-Holland, Fleur Adcock and Peter Porter on Monday evening; Wendy Cope and Oliver Reynolds read on Tuesday. I found Wendy Cope much the most enjoyable and the most technically accomplished, besides being the best reader. (How can a poet who says "drawing" venture on cultural composition?) The name of Auberon Waugh drew a crowded house, but even with the presence of Peter Cook, Henry Root, Anna Ford, Kate Kellaway (who's she?), Paul Theroux and Keith Waterhouse, all he offered was a cheap and vulgar advertisement of a monthly slim volume. I decline to mention the name. Better big names next week.

"SUGGEST HOW you would resolve the staging difficulties inherent in a production of Ibsen's *Peer Gynt*," demands Open University tutor Frank in Willy Russell's *Educating Rita*. It is a topic to tax the ingenuity. The action takes place over half a century; its locations range from the mountains of Godbrandstad to a lunatic asylum in Cairo; and its cast includes dancing girls, trolls, witches, goblins and a singing statue. Rita's advice? "Do it on the radio." Radio is the biggest single market for dramatic writing in the country. The BBC produces 500 new plays annually on Radios 3 and 4—more in a fortnight than in an entire year at the National Theatre—and many of them are written by first-time dramatists. With the largest radio drama department in the world, the BBC is justly proud of its role as a corporate Cosimo de'Medici, discovering and fostering new talent to nourish its radiophonic Renaissance. Richard Imison, script editor for BBC Radio Drama, is instrumental in feeding the medium's voracious appetite for new material. His department receives 10,000 manuscripts a year, by writers from every conceivable background, occupation and age group. Twenty years ago the bulk of unsolicited scripts were for television, for obvious reasons. It's the most glamorous, the best paid, the most publicly visible. Over the years, television has not diminished in its appeal, but its market for the single play has shrunk dramatically. The opportunities for a new voice to be heard on radio are much greater, not because the standard is lower—rather the contrary—but because of the sheer volume of drama broadcast each year. The continuing search for new writers has received additional impetus in recent years by the Radio Times Drama Awards which were launched in 1973 to

Radio drama

The play's the thing



John Hurt, Sean Connery and Donald Pleasence; "radio drama attracts a Who's Who"

celebrate the 50th anniversary of Radio Times. The competition, a biennial event since 1980, has proved a rich source of new talent for both radio and television. The 1988 winners will be announced next Thursday. Leonard Pearcey, the competition's organiser, enthusiastically reports an unprecedented 1,750 entries, 89 of them for radio. The winners of each section will receive £5,000, a broadcast of the winning script on radio, technical help, advice and publicity, and probably the biggest single boost of their creative lives. This was the case for Stephen Dunstone, joint winner of the award in 1983 for his tragedy *Who is Sylvia?* He is now working on his fourth play for radio.

Who is *Sylvia?*, a poignantly funny play about suffering and blind faith, exploited one of the unique features of radio; half its cast were cockroaches. *Arrived Safe*, *Writing Later* juxtaposed two periods of time and two sets of characters, 50 years apart. The play had a strong, supernatural element, which Dunstone feels would have been at odds with the more concrete imagery of television. "On radio you can deal with anything giving all the details of the reality. The possibilities are enormous." It is not only the outright winners of the competition who benefit. From entries received this year, a further 100 new dramatists will eventually have plays broadcast. Shirley Gee, successful radio, television and stage dramatist, and one of this year's award judges, was herself a runner-up in the competition in 1973.

Her achievement brought her an agent and a relationship with the BBC which enabled her to move at her own (acknowledged slow) pace. Her subsequent work has included several radio plays, adaptations and the stage drama *Ask for the Moon*, currently at the Hampstead Theatre. Shirley Gee is in no doubt as to the qualities which attract her to radio. "It goes clean from your mouth into the listener's ear: I like it because it's private; it has a purity, like canals and bicycles. I like it because of its freedom. You can be a blade of grass or a toy soldier or somebody's toe bone. You can do anything with time. You can go into people's minds. The images are very powerful." The quality of the writing is of paramount importance in radio drama, and long before anyone gets near a studio,

have to put costumes on, you can do it again if you get it wrong, and you don't have to learn it!" No-one seems in any doubt about the creative rewards of working in radio, but what about the financial ones? "The pay is a joke," says Rickman. Writers are paid considerably less than their television counterparts, beginners receiving about £550 for a single broadcast of a one-hour play on the domestic service. "Professional" writers — those with three or more plays to their credit — receive a minimum £1,305, and the famous "promotable" authors, such as Stoppard and John Mortimer, command a higher figure. However, "residuals"—repeat fees, translations, transcriptions etc.—are more common in radio than television, and "if you write a play that is lucky," says Shirley Gee, "you can do very nicely."

Considering the size of the audience for radio drama—an average 50,000-100,000 for an evening broadcast, and up to 750,000 in the afternoon—it is hard to understand why critics are not more attentive. If listeners bought a ticket for each play they heard, radio's "box office" would reach a staggering 750m annually. And there is no sign of the numbers diminishing.

In fact there is an awareness of a growing new audience of younger listeners, without the pre-conceived notions of a "radio generation." And what of the future of radio drama in a television age? Obviously, it is not just a technological stage of development, like black-and-white film in relation to colour. "Radio drama is not, never was, simply a theatrical experience with your eyes shut," says Richard Imison.

Any radio play is not one play but three quarters of a million plays, each tailored to the experience, mood and imagination of the individual listener and none of which the author will ever see. And that is a very curious and exciting animal indeed." **Marilyn Bentley**

Book Reviews

Blame laid at others' doors

Zeffirelli by Franco Zeffirelli. Weidenfeld & Nicolson, £14.95, 358 pages.

Zeffirelli claims to have written (although could he really have misspelled so many Italian names, and made such elementary mistakes as stating, twice, that *Asolo* was written to celebrate the opening of the Suez Canal?), the picture says something interesting about his most important work. Unfortunately, he—or his ghost—also goes on at unnecessary length about stagings and films that fell far below his best level. And, as if to ward off objection, the book assumes a lecturing tone, faying "critics" and, worse, "purists" who dare dissent.

declare his independence from Luciano Visconti, who discovered and largely trained him, Zeffirelli adopts a sharp critical tone toward much of the older man's work (he is particularly severe with *La terra tremita*, which many consider a masterpiece); but his indulgence towards his own product leads him to find qualities in a bit of trivia like *Compagny*, his first film. Admitting failures (he could hardly pass off a turkey like *Reds* as a success), Zeffirelli regularly attributes the responsibility to others: unimaginative producers, unco-operative critics, temperamental

actors. For the disaster of *Antony and Cleopatra*, he blames the late Samuel Barber, whose music was not grand enough to match Zeffirelli's colossal production. In short, this is an ungenerous book (despite all the sanctimonious talk about God in the latter part), often unconvincing, sometimes irritating in the lavish scatter of famous names. Zeffirelli is ungenerous even towards opera, which has been so generous with him; he calls it a "rather dusty art form." Purists, to arms!

William Weaver

Reluctant to probe

Sibelius: Volume 2, 1894-1914 by Erik Tawaststjerna. Translated by Robert Layton. Faber £17.50.

Second Symphony had made his name, and the Violin Concerto had been finished in its first version. The present book takes the story on through the Third and Fourth Symphonies, together with *Pohjola's Daughter*, *The Oceanides* and *Lemminkäinen*; the precise works, in fact, in which Sibelius found his deeply personal style, and shook off the last vestiges of 19th-century romantic symphonism. All the ground work for the achievements of the Fifth, Sixth and Seventh Symphonies, as well as *Tapiola*, was laid in these years.

Aino and his friend Axel Carpelan, and crucially to the diaries that Sibelius began to keep in some detail in these years. It's hardly surprising that the author should have been keen to present as much of the information he had to hand as possible and there's no doubt that he has produced the definitive account of Sibelius's life. It contains alongside the chronicle, fascinating side lights upon the cultural world in Finland in the first decade of the 20th century, and the composer's relationship to it, as well as on his dealings with European composers of the time—Busoni, Mahler, Rakhmaninov.

afforded must surely have contributed to his musical development. Throughout the period up to the outbreak of the First World War Sibelius travelled widely to conduct his own music. On all of this, between the recollections of travel itineraries and concert programmes, Tawaststjerna is a kindly and evocative commentator. The problems begin when he transfers the same descriptive criteria to his discussions of the music. On smaller-scale works—the incidental music to *Pellens and Melanide*, and *Belshazzar's Feast*, the two Violin Serenades and even more of the less ambitious tone poems—the purely literal, programme-note style gets by. When it is applied to much more complex structures such as the two symphonies completed during the period and the curious halfway house between programme-note and abstract symphony of *Pohjola's Daughter*, it becomes frustratingly inadequate. **Andrew Clements**

Radio

Carved in air

—and Spain's Prime Minister appropriately brought up the Gibraltar question this week, to emphasise it. The play was nicely done by the BBC regulars, directed by David Johnston. Nearer the headlines on the international scene was the second Radio 4s China programme on Saturday. Last week, country life; this week, city life, in Shanghai and Canton. Stories about the new-style Chinese life are common these days, but there is an added factor to them when you can hear the participants. I am constantly amazed at the fluent conversational English the Chinese acquire. What British businessman could say in Chinese: "Managerial competence is lacking at macro and micro level?" There is a

Pilkington glass factory in Shanghai; nearby is a Chinese factory, which has compulsory retirement at 60, with pensions. At the other end of the scale are a family of five living in one room 20 ft square; the match factory worker who does amateur painting in a garret 4 ft high. "The open door will open wider and wider," one Chinese businessman said. We certainly have much to learn about one another. On Monday, Radio 3 gave a curious programme called *Bugs and Beasts before the Law*. This was sounded as if it would be a curiosities-of-nature bit, but turned out to be about curiosities of human nature, with a philosophical tailpiece. Bugs and beasts have indeed been made to stand trial for alleged offences; indeed in Malaysia a dog has been tried for biting

recently. The older examples were really odd. In 14th-century Normandy a pig was condemned and then arrayed in human raiment before being hanged by the official hangman. In 15th century Switzerland a breed of beetles was warned to cease to attend court at one o'clock precisely on the sixth day after an edict outlawing them because they were not recorded on Noah's ark. In Spain some offending flies (we all know about what those Spanish flies can do) were represented by an advocate—who secured an acquittal and an award to them of land. Dr Nicholas Humphrey, a psychologist, explained that the point of such proceedings was to establish in the popular mind the principle that evil behaviour by any offender was wrong. The Greeks would try a defective doorman or a cart that had injured someone. This was not preventive justice, but a reassurance that the world was running on lawful lines, from bottom to top. **B. A. Young**

Mozart: Don Giovanni. Ramey, Tomowa-Sintow, Baitis, Battle, Winberg, Furlanetto, Malta, Burchaladze, Berliner Philharmoniker / Karajan. Deutsche Grammophon 419 179-2 (three CDs).

Wagner: Der Ring der Nibelungen. Salminen, Schickel, Schlenn, Clark, Bayreuth Festival Chorus & Orchestra/Nelson. Philips 416 300-2 (two CDs).

Vendi: Otello. Domingo, Ricciarelli, Diaz, Di Cesare, La Scala Chorus & Orchestra/Mazzel. EMI CDS 7474508 (two CDs).

A flavour of Herbert Von Karajan's first recording of Don Giovanni comes from the cover illustration. It shows Samuel Ramey costumed for the title role in immaculate white, flourishing a handkerchief; the impression is one of carefully studied artificiality, lacking both dramatic life and sexuality, a neutered Giovanni with a principled thought in his head. It is precisely that dimension of physicality that is consistently lacking in Karajan's account of the plot. The style and sound world of his approach is evident from the overture; textures are plush and intrinsically soggy, tempos at best measured. The immensely thorough preparation and attention to instrumental

Emotions ironed flat

Records

detail, which are the hallmarks of Karajan's symphonic style, here wreck the performance before it has properly begun. Leporello's first aria is leaden and apparently characterless, and it is only when Ferruccio Furlanetto breaks free of the orchestral blanket in some of the recitatives that one realises what a carefully observed portrayal was there for the taking, had the conductor been at all interested in establishing the work on a credible theatrical basis. Much the same is true of Ramey's Don, always elegant of tone and phrasing, capable of severity and menace without a hint of strain. Yet he parades his abilities at arm's length, never making the transition from vocal accomplishment to theatrical effectiveness. Brief exponent again, to Thomas Allen's demonic portrayal on Edittok's recording reveals the limits set upon Ramey's characterisation. The Anna, Elvira and Ottavio are all fundamentally weakened by the flabby conducting; how could Agnes Baitis have injected fury and venom into "Ah! chi mi dice mai" when Karajan hobbles her with his andyone smoothness, or Gsta Winberg recover some sense when the introduction to "Dalla sua pace" is so lethargic?

Anna Tomowa-Sintow's Anna comes nearer to a fully rounded

portrayal, and occasionally, in "Or sei chi l'onore" actually blows away the clouds of wooliness which otherwise suffocate any attempt at penetrating emotion. Pasta Burchaladze's Commendatore survives, too, not through any strength of character, but simply because the voice is sumptuous and so appropriate for the role. In the lack of realism in every part of the set it made the more obvious by the DG recording, which is marvellously transparent and capable of revealing the finer, subtler, had there been any to be revealed. Karajan's recording was made as a prelude to a stage production with the same cast scheduled for Salzburg next year; the Philips Hollanders stems from stage performances at Bayreuth in 1985. Note performances, for the most distracting aspect of the discs is the change of acoustic that takes place at several points, presumably the result of attaching together takes from several evenings to achieve musical evenness. At best the edgy matter, not at all, at worst, and the lurch immediately before Senta's ballad is the worst, it totally destroys the theatrical tension. The greatest asset of Bayreuth recordings is, of course, their sense of theatre and the involvement it encourages. That comes across in Woldemar Nelson conducting here, vivid

most interesting aspect of the torrent of critical opinions it has stimulated has been that cineastes have generally welcomed it while opera critics have been more sceptical. The divergence is made the more fascinating by the recording, which emerges with great distinction in several departments. The disappointments may be enumerated first. Ricciarelli, despite much stylish and poised singing, is a rather pallid protagonist, one of nature's victims from the outset yet not as sympathetic as one might expect. Justino Diaz's Iago is carefully controlled, but straight-lined; the Crede is almost bland, his ability to extract from his utterances quite circumscripted. The Cassio of Exio Di Cesare is similarly muted. All three are put under extra scrutiny by Claudio Domingo, whose Otello is extraordinarily comprehensive, not just vocally, where he puts on a note out of place and summons more than ample power, but in the fine grain of his portrayal. His ability to weight and colour single words and phrases is remarkable, always precisely attuned to the state of the drama. Mazzel's conducting matches him for a large span of the opera, pleasing only occasionally. The singing of the Scala Chorus is perhaps the set's greatest asset of all, eclipsing Domingo in intensity on occasion, so that there is a sharp and thrilling delineation between the opera's twin worlds of public and private affairs. **Andrew Clements**

delft (the netherlands) 38th art and antiques fair museum het prinsenhof SPECIAL EXHIBITION Excavated (art) objects from the private collection of Van Beuninger. Oct. 29th - Nov. 4th 1986 (13 days) 11.00 a.m. (Sunday 1.00 p.m.) to 5.00 p.m. and also Tue. and Thu. evenings from 7.00 p.m. to 10.00 p.m.

CHRISTIE'S ST JAMES'S 8 King Street, London SW1 Tel: 01-839 9060 Monday 20 October at 11 a.m. and 2.30 p.m. FINE BRITISH CERAMICS OF THE 17th, 18th and 19th CENTURIES Tuesday 21 October at 11 a.m. and 2.30 p.m. OLD MASTER, MODERN AND CONTEMPORARY PRINTS Wednesday 22 October at 10.30 a.m. IMPORTANT ENGLISH AND CONTINENTAL SILVER AND OBJECTS OF VERU Thursday 23 October at 11 a.m. and 2.30 p.m. VINTAGE PORT & MADEIRA AND OTHER PORTUGUESE WINE Friday 24 October at 10.30 a.m. OLD MASTER PICTURES SALE ON THE PREMISES Sheringham Hall, Upper Sheringham, Norfolk The property of The Trustees of The late H.T.S. Upcher Wednesday 22 October and Thursday 23 October at 11 a.m. and 2 p.m. each day For viewing details please telephone Caroline Treffigame on 01-606 1848 CHRISTIE'S EVENING CONCERTS Monday, October 20 at 6.45 p.m. DOMUS PIANO QUARTET Piano Quartets by Beethoven and Schumann Tickets £7.50. Enquiries and application forms for the series from Jonathan Price or Mrs Patricia Nite Christie's King Street will be open for viewing on Sundays from 2 p.m. - 5 p.m. Christie's South Kensington is open for viewing on Mondays until 7 p.m. For further information on the 13 sales this week, please telephone 01-581 7611 Christie's have 25 local offices in the U.K. If you would like to know the name of your nearest representative please telephone Caroline Treffigame on 01-606 1848 OLIVER SWANN GALLERIES 117a-119 Walton St London SW3 01-581 4229 Exhibition of promising and established contemporary artists 170 Walton St 01-584 8654 London SW3 Yachting and marine paintings in oil and watercolour engravings and etchings

As the America's Cup elimination series ends, Keith Wheatley looks at longer term prospects

Far from plain sailing

RUNNING may not seem to have much in common with yachting but in sporting terms the America's Cup is a marathon. Each team must compete over five months and sail scores of races. That said, the British team are handily placed as the first Round Robin of the elimination series comes to an end (October 18).

In the race against Conner, of the water this week and hull America II are the main obstacles to a place in the final next February. Certainly they have sailed with great flair and determination—not least to come back from the dead in the final leg against Dennis Conner. Kollus has the respect of everyone who has sailed against him—especially those he has beaten.



The New Zealand yacht (right) tacks ahead of White Crusader

like a White Horse whisky bottle—have yet to be passed by the international jury. It has not ruled against the British, merely consigned them to a temporary limbo.

of her transom she was able to finish the race—and win by over eight minutes. Skipper Marc Pajot seems to have been able to find much greater cohesion and reliability than was the case during the syndicate's first visit to Perth.

"IT IS A business pure and simple," said Gerry Berman, chairman of Altrincham and the kind of tireless enthusiast on which non-league football depends. An unfit cigar never left his hand as he strove to convince me of his club's merits.

Altrincham get ready to light cigars

By that time Altrincham had won two, after Enfield had seen its centre-forward sent off. In the directors' box, during the game, arms were raised in despair and triumph, expletives were undelivered and players were lauded and vilified. Everybody seemed to be enjoying himself hugely.

there was a certain charm about the way home operators were able to migrate at half time to gather behind the opposition goal, such freedom will be a curse, should Enfield play, say Chelsea.

more, the Altrincham left back, who seemed to have time and skill to spare. Denmore it was who began the move that led to Altrincham's first goal, sweeping the ball across the pitch to Farrelly who then provided the centre for Bishop to bury in the net.

Philip Coggan checks out non-League teams aiming for promotion and glory

All the players in the GM Vauxhall Conference are semi-professional and the clubs survive, without League handouts, on advertising, lotteries and sponsorship. Altrincham has a reputation as a well-run club. Unpaid officials, so often cursed by sporting superstrata, is at its best in the non-professional world. Alan Diment, secretary of Enfield, was unfailingly polite and charming as he endeavoured to keep his manager, chairman and

talent scouts on the touchline, surreptitiously scribbling in notebooks. For the benefit of those who failed to make it last Saturday, I recommend a look at Dave Howell, the Enfield central defender, who several times saved his side from further punishment when it got caught on the break in the second half, and at Peter Den-

ager, Eddie McCluskey, after the game; as a senior teacher he may be used to a daily diet of violence. He sadly recounted Enfield's record this season: only two wins out of eight at home, but seven victories out of eight away.

a crew of young dingy sailors. Only two of them have ever been on a 12-metre before. The sails look like badly cut bed-sheets and the results are a combination of all these factors.

promotion to the Fourth Division by just one vote. Enfield were the Gola League champions last season, Alliance Premier champions in 1983 (both precursors of the conference) and FA Trophy winners in 1982.

FT CROSSWORD PUZZLE NO. 6,154

Crossword puzzle grid with clues for Across and Down.

Prizes of £10 each for the first five correct solutions opened. Solutions to be received by next Thursday, marked Crossword on the envelope, to The Financial Times, 10 Cannon Street, London EC4A 3DF. Solution next Saturday.

Answers to the crossword puzzle, including Across and Down solutions.

SATURDAY

Television and radio schedule for Saturday, listing programs like BBC 1, BBC 2, and various regional channels.

TELEVISION AND RADIO

Television and radio schedule for Saturday, listing programs like HTV, TSW, and various regional channels.

SUNDAY

Television and radio schedule for Sunday, listing programs like BBC 1, BBC 2, and various regional channels.

SUNDAY

Television and radio schedule for Sunday, listing programs like BBC 1, BBC 2, and various regional channels.

TELEVISION AND RADIO

Television and radio schedule for Sunday, listing programs like HTV, TSW, and various regional channels.

SUNDAY

Television and radio schedule for Sunday, listing programs like BBC 1, BBC 2, and various regional channels.